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REPORTAGE ON LAST DAY OF GENSCHER'S VISIT

Zhivkov, Atanasov Meetings

AU161631 Sofia BTA in English 1147 GMT 16 Dec 86

[Text] Sofia, December 16 (BTA) -- State Council President Todor Zhivkov received today Mr Hans-Dietrich Genscher, vice chancellor and federal minister of foreign affairs of the FRG, who arrived here on a working visit yesterday. The two politicians discussed a number of issues related to the international situation and paid special attention to East-West relations and the state of world affairs after the Reykjavik summit as well as the problems of nuclear and conventional disarmament. The Bulgarian head of state and the FRG foreign minister expressed their willingness to help promote greater security and cooperation in Europe and world-wide. They stressed the significance of the Stockholm and Vienna conferences.

Mr Todor Zhivkov and Mr Hans-Dietrich Genscher assessed positively the relations between Bulgaria and the FRG and expressed their government's readiness to develop them further.

Mr Hans-Dietrich Genscher was received today by Mr Georgi Atanasov, chairman of the Bulgarian Council of Ministers, with whom he discussed the state and future of the economic and techno-scientific cooperation between Bulgaria and the FRG.

Zhivkov Gives Luncheon

AU161908 Sofia Domestic Service in Bulgarian 1830 GMT 16 Dec 86

[Text] On 16 December Todor Zhivkov, chairman of the State Council, gave a luncheon in honor of Hans-Dietrich Genscher, FRG vice chancellor and minister of foreign affairs. The luncheon was attended by Comrades Milko Balev, Ognyan Doynov, Petur Mladenov, and Petur Tanchev.

Genscher Summarizes Talks

LD161545 Hamburg DPA in German 1448 GMT 16 Dec 86

[Text] Sofia, 16 Dec (DPA) -- At the end of his 2-day working visit to Sofia on Tuesday, Federal Foreign Minister Hans-Dietrich Genscher noted "with great satisfaction the exemplary and problem-free relations" with Bulgaria. In his talks and at an international press conference Genscher underlined the Federal government's Ostpolitik, "which in the long-term aims at balance and which we shall continue to seek without compromise."

The Bulgarian leadership apparently saw no reason to inquire into the German Ostpolitik, Genscher said. The Federal foreign minister also sought to use his visit to Sofia to repair German-Soviet relations. The Federal foreign minister emphasized several times Bonn's "elementary interest" in better East-West relations. Genscher announced at the press conference that there was also complete agreement with his interlocutors concerning an improvement in the climate.

Genscher was given a particularly cordial reception at midday Tuesday by party leader Todor Zhivkov, with whom he discussed in detail the East-West climate for nearly 3 hours. In his talks with the Bulgarian leadership, Genscher repeatedly emphasized that the East, too, should assess correctly the NATO states' security interests. However, a new agreement on a date for a visit to Bonn by Zhivkov was not set. The Bulgarian party leader, who postponed a visit in 1984 because of Western rearmament, is still waiting "with suitcases packed" for a better opportunity, it was said in Sofia.

In his talks with his counterpart, Petur Mladenov, and with Council of Ministers Chairman Georgi Atanasov, Genscher was able to promote a number of bilateral issues, it was learned from the delegation. This included the new building for the consular department of the German embassy in Sofia, which at present is dealing with 25,000 to 30,000 applications per annum for visas, a double-taxation agreement to promote the setting up of joint industrial enterprises and the participation of German firms in rebuilding Sofia International Airport.

Genscher promised to support above all the participation of small-and medium-sized German firms in "joint ventures?" Ninety applications have already been received, the German Embassy said. Genscher also proposed a German-Bulgarian economics symposium.

The Bulgarian working visit has shown above all that even in the difficult East-West situation the German foreign minister is greeting as a welcome interlocutor. Diplomatic circles linked this assessment to the hope for a return to normal East-West dialogue in the coming year.

Genscher explained in detail the Western security interests, which should not be ignored by the Soviets. The Federal foreign minister recalled the Soviet condition to negotiate on medium-range missiles only after the Americans have retreated from their SDI project. He could only hope that the Soviets would examine this attitude as well as take into account West European security interests.

Genscher Departs

AU161909 Sofia Domestic Service in Bulgarian 1830 GMT 16 Dec 86

[Text] On 16 December Hans-Dietrich Genscher, FRG vice chancellor and federal minister of foreign affairs, departed Bulgaria. At Sofia airport he was seen off by Comrade Petur Mladenov, deputy ministers of foreign affairs, and other officials.

DER SPIEGEL 'DISINFORMATION' ON ANTONOV DENIED

AU161641 Sofia BTA in English 1558 GMT 16 Dec 86

["Fabrication About Sergey Antonov" -- BTA headline"]

[Text] Sofia, December 16 (BTA) -- The West German magazine DER SPIEGEL has resorted to unworthy of its prestige as a well informed magazine disinformation about the Bulgarian national Sergey Antonov. In the "Personalities" column of its December 8 issue is annonymous author assets that Sergey Antonov "disappeared" from Bulgaria "for medical treatment" abroad "possibly against his will".

A BTA reporter called the leadership of the Bulgarian "Balkan" Airlines where Sergey Antonov works. He was informed that Sergey Antonov returned to work in September and that he is working there now.

ZHIVKOV SENDS MESSAGE TO SFRY'S RENOVICA

AU014630 Sofia RABOTNICHESKO DELO in Bulgarian 29 Nov 86 pp 1, 6

[Text] Todor Zhivkov, general secretary of the BCP Central Committee, has sent the following telegram to Milanko Renovica, president of the LCY Central Committee Presidium:

Esteemed Comrade Renovica, on the occasion of the SFRY National holiday, on behalf of the BCP Central Committee and on my own behalf, I convey to you, to the LCY Central Committee, as well as to the working people in the SFRY the most sincere congratulations and wishes for new successes in the construction of socialism and in implementing the decisions of the 13th LCY Congress.

I take advantage of this opportunity to express my conviction that the relations between the BCP and the LYC will contribute to the ascending development of comprehensive cooperation between the People's Republic of Bulgaria and the SFRY in the interests of our two peoples, and for the sake of the cause of peace and understanding in the Balkans, in Europe, and the world.

IMPORTANCE OF SELF-MANAGEMENT STRESSED

AU101048 Sofia BTA in English 0854 GMT 10 Dec 86

[Text] Sofia, December 10 (BTA) -- The self-management of the country's economic units is the most important topic in Bulgaria's internal life at the end of the year. The self-managing bodies of the working teams and enterprises have already been elected and the new labor code, approved by the National Assembly a few months ago, will come into force on January 1, 1987. According to the decisions of the 13th Congress of the Bulgarian Communist Party, the self-managing enterprises are the main economic and organizational form through which the working teams are able to exercise their right to manage the socialist property. The state bodies will continue to take decisions that are obligatory for the economic organizations. The new element, however, is that these decisions must not block but should rather serve as an incentive to the enterprises. The working teams can now become true managers of the socialist property given at their disposal. They can alone determine the direction of their development in concord with the national targets. The working teams are able to conduct an equal dialog with other self-managing organizations and with superior bodies on matters related to the production, the provision of resources and the realization of the production.

The self-managing organizations are alone responsible for the number of people they employ and control it in view of their needs. At the same time they are responsible for the fulfillment of the orders placed by the state for their own proper management and for the fulfillment of the contracts. The working teams or brigades employed in the enterprises are also based on the principle of self-management and are able to make their own decisions about the organization of their work. This principle is also valid within the organization of the work of the large combines and economic corporations. The matter most widely discussed in the media and at the general meetings of the enterprises where the latter elected their new chief executives, was the need to make management promote the interests of the working people. Under the new system of self-management, people must feel that the efficiency of the production depends upon them as do their own social benefits. Prof Marko Markov writes in the IKONOMICHESKI ZHIVOT weekly paper that the party organizations must now fight against bureaucracy, against the reluctance or inability of some state officials to coordinate their actions with the objectively existing laws that govern the economy and with the requirements of the commodity-money relations. The problems of interest to the state must be solved on the basis of the economic interest of the self-managing organizations and through an equal dialog with the latter.

Mr Ognyan Panov, director of the Institute of Social Management with the BCP CC, writes in TRUD that commodity-money relations are objectively characteristic of the socialist society. "We must learn how to utilize these relations in order to create and maintain interests which would stimulate techno-scientific progress," he writes. According to him the old methods of management cannot help overcome the slowing down of the rates of economic development and certain wasteful attitudes.

Commenting upon the meetings at which the enterprises' self-managing bodies were elected, Mr Petko Simeonov, a sociologist, writes in TRUD that "self-management is a mechanism that serves as an incentive to man and helps regulate the relations between the individual and society". According to him self-management cuts red tape.

Self-managing enterprises are self supporting. They provide for their expenditure and realize net income, which will be also used for the social needs of the work teams. The organizations financed by the state cannot be self-managing. In connection with the application of the principles of self-management the question of the role amd responsibilities of the enterprises' chief-executives, who are elected (most often by secret ballot) by the work teams, is viewed in new light.

A number of participants in the discussion point out that the construction of the new type of relations between the state bodies and the economic organizatons, which has started already, will be a long process, not without problems. That is why a group has been established with the Council of Ministers to check and control the unsettled problems. A number of publications stress that the occurrence of problems is unavoidable.

"The right to take risks, without which there is no creativity, includes the right to make mistakes, to search for original decisions, to go on unusual ways," reads the quoted article by Prof. Marko Markov.

All opinions on the questions discussed these days in the Bulgarian press categorically impose the conviction that the turning of the economic enterprises into self-managing organizations is an objective necessity of the social and economic development, a decisive condition for their reconstruction in complaince with the realities of modern production.

ECONOMIC COUNCIL DEBATES PLAN FULFILLMENT

AU112022 Sofia Domestic Service in Bulgarian 2000 GMT 11 Dec 86

[Text] A session of the Economic Council under the Council of Ministers has taken place in Sofia chaired by the council's chairman, Ognyan Doynov. An examination of the results of the fulfillment of the plan for the 11 months of this year was made. Concrete and effective measures were outlined to mobilize the efforts of the labor collectives and the self-managing economic organizations to successfully conclude the first year of the Ninth 5-Year-Plan. The results of the fulfillment of the plan targets and the conditions created for concluding the year guarantee a successful start to the new year. Comrade Stoyan Markov took part in the session.

GANEV HANDS 1987 MILITARY PLAN TO ENVOYS

AU121959 Sofia BTA in English 1842 GMT 12 Dec 86

[Text] Sofia, December 12 (BTA) -- Mr Ivan Ganev, deputy minister of foreign affairs, received the chiefs of the diplomatic missions accredited to Sofia of the participating states in the Conference on Security and Cooperation in Europe. He handed them the annual plan for Bulgaria's military activities in 1987 subject to prior notification under a provision of the Stockholm Conference accord.

ZAK PRESENTS 1987 BUDGET TO FEDERAL ASSEMBLY

AU151501 Prague RUDE PRAVO in Czech 10 Dec 86 p 4

[Report on an "expose" on the 1987 state budget presented by Jaromir Zak, CSSR minister of finance, at the 9 December joint session of both chambers of the CSSR Federal Assembly in Prague]

[Text] The CSSR Federal Government is submitting to the Federal Assembly its draft bill on the 1987 state budget of the Czechoslovak Federation. The budget has been worked out in harmony with the Eighth 5-Year Plan of national economic development, with the CSSR's budget outlook for the years 1986-90, and with other programmatic documents ensuring the tasks of economic and social development set the 17th CPCZ Congress.

The points of departure and basic approaches to the implementation of the strategy of accelerating socioeconomic development were stressed by Comrade Gustav Husak, general secretary of the CPCZ Central Committee, in his speech at the Fourth Session of the CPCZ Central Committee. The main tasks of the Eighth 5-Year Plan, and the ways of ensuring them, were discussed and approved by the Federal Assembly yesterday. They also constitute the foundation of our fiscal and budget policy. An efficient and dynamic creation of resources is the most reliable guarantee of a healthy development of the national economy, of strengthening the economy's balance, of the stability of its currency, and of further growth in the living standards of the population.

We have proceeded from these principles in working out the draft of the 1987 state budget, in which we safeguard the tasks stipulated for that year in the budget outlook and in the state plan for 1987. We have also considered some specific features of the economy's development this year.

Despite the predominantly positive development in the creation of material resources, the fact that some inert tendencies of extensive development continue to manifest themselves in the economy is also projected into fiscal management, that is, into the area of the revenues and expenditures of the 1986 state budget. The nonfulfillment of planned tasks with respect to the reduction of costs influences remittances to the state budget that are calculated on the basis of economic results. Problems also persist with respect to the structure of goods supplied to the domestic market, which accounts for problems in the development of the turnover tax as well. The drop in the prices of crude oil products on world markets, too, has a negative impact on the state budget.

Despite all existing problems, realistic prerequisites exist for balancing the bugetary economy throughout 1987. However, it is evident that the contribution to the budget resulting from efficiency growth and from the overall cost effective utilization of production will be somewhat lower than expected. From the viewpoint of tasks in 1987 this means that higher demands will be placed on the creation of financial resources in some sectors and economic production units.

General Characterization of State Budgets and the Budgets of National Committees [subhead]

Pressure on efficiency growth and on greater cost effectiveness is one of the main principles of fiscal policy for the period of the Eighth 5-Year Plan. This pressure is also fully reflected in the draft of the 1987 state budget. Economic organizations are charged with challenging tasks in the reduction of costs, creation of profit, efficient handling of inventories, and in financing other needs.

There are also other measures by which we establish a more exacting economic environment for the economic sphere -- by making more rigid the conditions under which enterprises may include the financing of social consumption in their costs, by introducing fiscal supervision to ensure an economical implementation of designated integration projects, by enforcing a consistent adherence to the set average costs per apartment, or by excluding from the planned costs of enterprises a part of the fines they pay for polluting the environment. Pressure is also created by the government decision that 6 percent of the investment volume planned for 1987 be financed either with resources that have been created in excers of the plan or with resources saved in preceding years. This will make sure that only those organizations which make distinct headway in efficiency growth will be able to implement their investment plans to the full.

The draft state budgets of the federation and the two republics and the draft budgets of national committees for 1987 envisage total revenues and expenditures of Kcs 381.9 billion, which is 4.8 percent or Kcs 17.4 billion more than in 1986. In keeping with the Law on the Eighth 5-Year Plan, the draft secures a balance between resources and requirements of the entire budgetary system as well as its individual elements -- the state budget of the Czechoslovak Federation, the state budgets of the two republics, and the budgets of national committees.

The decisive proportion of the budgetary system's total revenue, 87 percent, comes from the socialist economy, mostly from the remittances of economic organizations and the turnover tax. Taxes paid by the population account for 13 percent of the budget's revenues.

The greatest share of the budget outlays, more than 45 percent, is earmarked for noninvestment expenditures on social security, education, health care, culture, and other services and jobs for the population. More than 16 percent of the volume of the budget's outlays will be spent on investment and noninvestment subsidies to economic organizations. The state budget also secures essential outlays for promoting science and technology, reinforcing the defense and security of the state, and fulfilling other tasks in accordance with the targets of the 5-year plan and the budget outlook.

The CSSR finance minister went on to say that a crucial place in the overall volume of resources of the budgetary system is held by the state budget of the Czechoslovak Federation, whose planned revenues will amount to Kcs 208.6 billion.

The budgets of national economies constitute a significant component of our budgetary system. Their total volume will increase by Kcs 4.2 billion next year to almost Kcs 130 billion, which is more than one-third of all resources of the budgetary system.

Tasks in the Sphere of Economic Organizations [subhead]

The proposed tasks of the fiscal plan and state budget for 1987 entail exceedingly demanding tasks for the economic sphere with respect to the creation of financial resources.

The draft state budget for 1987 is based on a 10.1 percent increase in the financial contribution of economic organizations to society. To ensure the necessary increase in financial resources, they will have to achieve a planned increase in overall profits of almost 11 percent, that is, Kcs 15.6 billion. Of this increase, Kcs 12.5 billion should be accounted for by a relative reduction of total costs and the remaining part by performance growth. [paragraph continues]

The fulfillment of this task requires that the share of total costs in the value of output be reduced 1 percent and the share of material costs 1.5 percent. These specifications are far more demanding than those we achieved in the Seventh 5-year Plan.

All the more important is the orientation toward the long-term factors of reducing material costs, such as the consistent implementation of structural changes, increased contribution of scientific and technical development, or intensification of international economic cooperation and specialization, notably with the CEMA countries.

Noninvestment spending on the development of science and technology will increase 3.5 percent next year and will amount to Kcs 20 billion. Of this sum, expenditures from the state budget will represent Kcs 8.6 billion and expenditures from the retained earnings of the economic sphere Kcs 11.4 billion. These resources fully ensure in financial terms the tasks of the state plan of scientific and technical development, the tasks of the economic plans of technical development, and the activity of organizations of the research and development base.

However, as has been repeatedly stressed, systematic attention will have to be devoted to the orientation of the projects of scientific and technical development and to their practical application. In many cases even the assigned technical-economic specifications to be met by newly developed products trail the world standard. This is even true of some of our traditionally successful branches. The same problems that afflict product innovation also exist in the area of technology innovations, which have a decisive impact on the effectiveness of investments.

Also in the area of capital investment we will have to make more pronounced headway in overcoming many persistent shortcomings that adversely affect its effectiveness. We must not become reconciled to the nonobservance of construction deadlines and nonadherence to the projected specifications of new investments. In the years of the Seventh 5-Year Plan, for example, production shortfalls due to the failure to meet projected capacities totalled Kcs 80 billion. An analysis of the results of experts' appraisals carried out by the State Commission for Scientific-Technical Development and Investment Promotion shows that in the case of 8 percent of all practice projects in the manufacturing industry the investors even envisaged a drop in labor productivity compared with the situation prior to construction. In the case of one-third of all projects it was necessary to return the documentation and ask that it be revised because the projected economic specifications turned out to be worse than in the initial plans.

We link the increase in the efficiency of the entire process of replacing basic assets with their more intensive maintenance. This applies, above all, to maintenance, reconstruction, and renewal in the consumer goods and food industries as well as in the building trade. About Kcs 1.2 billion of the state budget will be spent for these purposes in the aforementioned branches, which is roughly one-third more than in 1986.

We reckon next year on an acceleration in the turnover of inventories in industry and in the building trade by 2 days, which is commensurate with the task included in the budget outlook. Also the fulfillment of this task will be demanding because it is connected with a whole package of problems in supplier-user relations. Because of the unsuitable structure of inventories, the partial shortage of some components frequently ties up very high amounts of inventories of the final assembler. In view of the failure until now to bring about a fundamental turn in the utilization of inventories. Despite a number of measures that have been adopted, the government has laid down the task of working out in the course of 1987 proposals for both resolving the problems of supplier-user relations and improving the system of regulating inventories. [paragraph continues]

Fiscal agencies are faced with major tasks in deepening the effectiveness of fiscal control and auditing in the area of the creation and use of the resources of the state budget and in the administration and protection of national property as well as in combatting mismangement, waste, parasitism, and other negative features in the national economy and in society. We will also consistently monitor the implementation of the tasks of the program of thrift adopted for the Eighth 5-Year Plan.

Jaromir Zak drew attention to the existence of a number of shortcomings in this area that have been revealed by fiscal administrations and by people's control committees. In the period of the Seventh 5-Year Plan, for example, fiscal administrations assessed an additional Kcs2 billion in taxes and remittances due to shortcomings ascertained in this area. In the same period fiscal audits prescribed Kcs750 million in sanctions and additional remittances to the state budget. During checks carried out in selected enterprises, the CSSR People's Control Committee ascertained a number of negative phenomena concerning the protection of national property, losses due to substandard quality, illicit use of company vehicles, and breaches against principles governing the remuneration of jobs performed outside the work contract. The common causes of these shortcomings include poor record-keeping, feeble internal inspecton, the failure to conclude agreements on financial accountability, and the rigging of results. Losses and damage to national property, which add up to millions, are being charged to the account of enterprises and, hence, the society as a whole, while claims against the actual individual culprits are applied only to a negligible extent. These and other negative features manifest in the use of the nation's resources show that -- in defiance of the measures adopted in the wake of the Letter of the CPCZ Central Committee Presidium on Deepening the Effectiveness of the Struggle Against Violations of the Principles of Socialist Legality, Ethics, and Discipline, Against Enrichment and Speculation -- the attitudes and the conduct of many managers have remained essentially unchanged.

Living Standards [subhead]

The 1987 state budget secures means for the realization of set targets in the sphere of living standards. Noninvestment expenditures on social services and jobs for the population are to rise by Kcs7.1 billion compared with 1986 to a total of Kcs172.8 billion. This provides resources for the increased performance of individual branches of public consumption as well as for some new tasks, connected, for instance, with the program of computerization in education, with the realization of health programs, or with the solution of the problems of the western border region.

More than 50 percent of these planned resources will be allotted to social security, whose current spending will total Kcs91.4 billion next year. Of this, pension insurance accounts for Kcs56.3 billion, health insurance for Kcs28.6 billion, and Kcs6.5 billion is allocated for social services within the jurisdiction of national committees.

Almost Kcs28 billion in noninvestment expenditures will be spent on education next year. This is an increase of 2.5 percent against 1986. There will be a rise in outlays for the maintenance and repairs of school buildings, for school utensils, for the development of curricular physical education and paramilitary education, as well as for furnishing and operating new student canteens and dormitories. Moreover, the reserves of the state budgets also secure resources of Kcs248 million for the program of computerization in schools.

The great attention which the socialist state devotes to the development of health care is documented by the 5.3-percent growth in noninvestment expenditures in this area. Expenditures on pharmaceuticals and special medical materials will increase 8 percent. There will also be an increase in the resources earmarked for the repair, maintenance,

modernization, and reconstruction of medical establishments and for an expansion of special health care and spa treatment to include children and employees of designated branches that are especially labor intensive. The volume of noninvestment expenditures on health care will total Kcs28.9 billion, of which pharmaceuticals and special medical materials will account for Kcs8.1 billion.

Noninvestment expenditures on culture will increase 5.3 percent to a total of more than Kcs5 billion.

Budgetary expenditures on housing construction and the housing economy will exceed Kcs29 billion. In accordance with the concept of housing economy for the Eighth 5-Year Plan, there will be an increase in, above all, the volume of the state's contribution to cooperative housing construction. Subsidies to offset the planned losses of housing economy enterprises will total Kcs5.6 billion.

Aside from the aforementioned resources, additional sums will be expended from the state budget that will affect the living standards of the population. For example, Kcs1.6 billion will be spent in 1987 to subsidize the price of heat supplied to the population from central heating plants, and Kcs3.9 billion on subsidies for city mass transportation enterprises.

Additional Targets of Fiscal Policy [subhead]

The fulfillment of the challenging tasks in developing the national economy laid down for 1987 and the subsequent years of the Eighth 5-Year Plan requires a substantial improvement in the quality of managerial work, which holds true fully for the fiscal authorities as well. We are faced with the task of markedly changing the content and methods of work of the fiscal agencies. Financial instruments must, above all, exert a more active influence on speeding up the process of intensification, enforcing national interests, and enhancing the independence of economic organizations and their accountability for final results.

Fiscal authorities in particular are confronted with specific tasks in connection with the gradual reconstruction of the economic mechanism. We focus attention, above all, on the elaboration of questions of enhancing the effectiveness of the system of levies and taxes, curtailing and streamlining redistribution processes within the enterprise sphere, applying the system of efficiency criteria in plan-setting at all levels, and making broader use of normative relations [normativni vztahy] in distributing and drawing on financial resources.

We link the solution of these tasks with raising the quality of the entire process of management and planning, and with making more effective use of market-price relations. We will cooperate closely with other agencies so that the measures adopted in all sections of economic policy operate as a uniform and integrated whole. As of next year, we intend to test a number of new measures within the framework of the comprehensive experiment providing for the enhanced independence and accountability of economic organizations with regard to efficient development.

Effective the beginning of 1987, we will implement modified rules in the area of financial and economic instruments in foreign trade, which will increase the interest of the economic sphere in fulfilling and overfulfilling export tasks and in maximizing its contribution to the state's balance of payments.

We ascribe considerable significance to the problem being prepared to gradually reduce noninvestment subsidies granted from the state budget. It will be not only a question

of reducing the volume and the number of these subsidies, but a question of turning them into an active tool of economic policy to cope with practical problems of the economy.

We want to limit subsidies that are not economically justified, subsidies that obfuscate mismanagement and low efficiency and distort the actual economic results of enterprises. We will take the first step in this direction as early as next year.

Among the grave fiscal-economic problems that must be dealt with more energetically are the losses incurred by some economic organizations. In 1985 a total of 222 centrally administered economic organizations incurred losses of Kcs10.3 billion.

An analysis of the causes of these losses that has been carried out directly by the ministers of finance in 74 enterprises basically confirmed facts that were already known. Among the main causes are, above all, a low rate of utilization of capital assets and, at newly built capacities, the failure to meet the projected specifications, inefficient exports, high fuel and energy costs, and high costs of fines, sanctions, and damages. Many causes thus result from the poor standard of managerial work. A serious and, we might say, alarming finding is the fact that many managers of loss-making enterprises regard this situation as normal, and concentrate their efforts just on making sure that the planned volume of losses is not exceeded. In looking for possibilities of eliminating these losses, these managers concentrate their search on measures outside the enterprise. That is why it is necessary to change in principle the approach of enterprises and their overseeing agencies to loss-making, and to adopt measures that would limit the possibility of what amounts to an essentially passive equalization of losses by means of redistributing financial resources within the framework of economic production units. This undermines the principles of economic accountability and adversely affects the interest of efficiently managed enterprises in further improving their economic results.

Speaking about solving the problems of losses, we must not ignore the sphere of public catering and paid services either. We must not disregard the fact that, although retail prices in this area are not low, there are many loss-making organizations. The losses of restaurants and public catering enterprises totalled Kcs166 million in 1985. Some service sectors also operate at a loss. For example, the losses incurred by road vehicle repair shops amounted to Kcs 94 million in 1985, and those of custom-made tailor service amounted to Kcs56 million. Here, too, it will be necessary to streamline the system of management in many respects, including the creation of material and legal prerequisites for a broader utilization of individual working activity.

The CSSR minister of finance stressed that consistently safeguarding the economic balance, continuously developing the national economy, and meeting the needs of the population require that we distribute only as much as we create. The volume of financial resources keeps increasing year after year in connection with the continuous growth of our economy. In accordance with the conclusions of the 17th CPCZ Congress, this growth is projected into and also provided for in the draft of the state budget for 1987.

It is essential that the attention of managerial agencies at all levels as well as the attention of work collectives and their initiatives and socialist competition be directed toward the fulfillment of the tasks of 1987.

The draft of the state budget for 1987 and the drafts of its individual chapters have been discussed by the appropriate committees of the Federal Assembly. [paragraph continues]

These discussions revealed their distinct endeavor to actively contribute to solving a number of important problems of fiscal and budgetary management connected with ensuring our national economy's further development. In this connection, I would like to convey thanks to you for your creative approach and initiative.

LAW ON 1986-90 STATE PLAN, ECONOMIC DEVELOPMENT

AU151420 Prague RUDE PRAVO in Czech 9 Dec 86 p 3

["Law on the State Plan of the Development of the CSSR's National Economy for the Years 1986-90"]

[Text] Proceeding from the general line of building the developed socialist society, from the Main Guidelines for the CSSR's Economic and Social Development for the Years 1986-90, and the outlook for the period up to the year 2000, adopted by the 17th CPCZ Congress, from the results achieved in the past period, as well as from the changing internal and external conditions of both the present and the continuing development of national economy, the CSSR Federal Assembly has adopted the following law:

Part One -- Basic Tasks of the Eighth 5-Year Plan

Article 1 -- The Law's Mission

The present law defines the basic tasks of the state plan of the development of the CSSR's national economy for the years 1986-90 (henceforth merely "Eighth 5-Year Plan") and the decisive conditions for its realization as a binding directive for the management activities of the CSSR Government and the Governments of the Czech and Slovak SRs (henceforth merely "Republican Governments") and of central and other agencies of the CSSR and of the two republics, and also for the economic activity of the agencies of middle-level management and of socialist organizations.

Article 2 -- Basic Orientation of the Eighth 5-Year Plan

The Eighth 5-Year Plan ensures the realization of a long-term economic strategy based on the acceleration of socioeconomic development by way of intensification, of enhanced efficiency of social production, of good quality of all work, and of strict thrift, as well as on the CSSR's deepening participation in the international division of labor and on the consolidation of its defense ability.

Article 3 -- Basic Tasks of the Eighth 5-Year Plan

For the realization of the basic orientation of socioeconomic development, it is set down to raise the gross national income created in the year 1990 by 18-19 percent, compared with the year 1985, and to cover 92-95 percent of its increase by raising social labor productivity. For this purpose, above all,

(a) to accelerate scientific-technical progress on the basis of effectively joining the realization of the CEMA Member Countries Comprehensive Program of Scientific-Technical Progress Up to the Year 2000; and to emphasize and accelerate the introduction of the latest results of scientific-technical development into production and into social practice, while carrying out the socially desirable changes in economy, including the phasing-out of economically ineffective productions;

(b) to continue lowering the energy-intensiveness of the national economy; and, in the years 1986-90, to achieve a 2.9-percent average annual drop in the consumption of fuel and power resources per unit of gross national income created;

(c) to substantially improve the handling of the metal fund in all sectors of the national economy; and to achieve in the course of the Eighth 5-Year Plan a 3.5-percent average annual cut in the final consumption of ferrous metals per unit of national income created;

(d) in the course of realizing the Eighth 5-Year Plan, to cut the demands placed on transportation by roughly 10 percent; and gradually and comprehensively to rationalize the turnover of goods and modernize the storage economy;

(e) to insure that the dynamics of foreign trade turnover overtake the dynamics of national income created, on the basis of joining more broadly and effectively the international division of labor, above all the socialist economic integration;

(f) to use the constantly improving qualifications of our working people to speed up the growth of labor productivity in all branches of the national economy, and to ensure a more rapid growth of labor productivity than the growth of average wages, while consistently ensuring the merit principle;

(g) to dramatically improve the development and utilization of stocks;

(h) to substantially improve the use of facilities and of basic assets' to speed up the liquidation of outdated and ineffective assets, and to dramatically raise the effectiveness of investments;

(i) to intensify the role of the plan as the basic instrument in the management of socioeconomic processes on all levels; to prepare a comprehensive reogranization of the economic mechanism so that it dramatically guides us on the course to improve the system of planned management in the years 1987-90, so that it will be fully used in the compilation of the Ninth 5-Year Plan; and at the same time to make more efficient use of value relations and tools than previously.

Part Two -- Main Tasks of Economic Branches and Sectors

Aricle 4 -- Application of Scientific-Technical Development

To enhance the role of scientific-technical development as the decisive factor in intensifying economy, it is set down:

(a) to establish prerequisites for greatly enhanced efficiency of international scientific-technical cooperation, particularly in close collaboration with the USSR and the other states of the socialist community;

(b) to shorten the deadlines for the solutions and realization of research and development tasks; and to ensure the achievement of results that are comparable to world standards and the speedy application of the results in production;

(c) to concentrate forces and means of science, research, development, and production above all on those actions andsolution trends which have good long-term prospects and are both effective and decisive for the development of the national economy;

(d) to step up the efficient utilization of licenses as a significant source of scientific-technical progress;

(e) to expand and tighten the appraisal of the quality of products in keeping with the needs of the domestic and of foreign markets, on the basis of exacting criteria based on international comparison.

Article 5 -- Development of Industry

The decisive effort in the process of intensifying national economy is to be realized particularly in industry, where it is set down for the period of the Eighth 5-Year Plan;

(a) to raise the volume of industrial production by 15-18 percent -- 13-14 percent of this falls on the Czech SR, and 18-20 percent on the Slovak SR; and to raise labor productivity in industry 14-17 percent, while devoting primary attention to the optimization of the structure of production and to its efficient use, as well as to the quality and technical standards of the products;

(b) to altogether raise the volume of engineering and electrical engineering by 30 percent, while giving preference to developing the electrical engineering industry;

(c) to orient the development of metallurgy toward intensifying production; and, by improving the structure and range of products in metallurgical production, to achieve a better use of facilities and of the modernization of the production base, while gradually cutting down the production of pig iron and steel and simultaneously improving their quality;

(d) in the fuel and energy complex to see to economical acquisition and use of all fuel and power resources; and to further develop nuclear power engineering and centralized supplies of heat;

(e) to raise production in the chemical industry by at least 13 percent by 1990; to direct its development toward a higher valorization and full use of raw material and energy inputs; and to increase the production of the pharmaceutical industry by at least 40 percent;

(f) to raise production in the timber processing industry by almost 13 percent; and to aim at achieving a higher valorization of the wood mass, particularly through its comprehensive use;

(g) to raise production in light industry by at least 12 percent, while improving the quality and fashionableness of products while expanding the production of goods with exceptional quality and systematically updating consumer goods;

(h) by developing the production of building materials, to ensure the needs of the national economy and also of the population, both with regard to the volume of products and with regard to their range and quality.

Article 6 -- Development of the Agricultural-Industrial Complex

The basic task of the agricultural-industrial complex is to ensure and improve the people's nourishment, while simultaneously raising the overall extent of self-sufficiency in food production. To ensure this task it is set down:

(a) to orient the agricultural-industrial complex toward increasing production efficiency and cutting production costs; in branches which ensures production means for agriculture and for food production, to ensure the lasting improvement of technical standards and a higher productivity, operational reliability, and complexity of deliveries;

(b) to raise gross agricultural production in the Eighth 5-Year Plan by 6-7 percent, compared with the Seventh 5-Year Plan, while ensuring the preferential growth of plant production against animal production;

(c) to be more consistent in implementing measures to protect the land fund and to raise the fertility of the soil;

(d) to ensure more stable harvests of cereals and to achieve a total production of 57-58 million tons in the Eighth 5-Year Plan;

(e) to develop animal production in keeping with society-wide demands and with the real fodder resources;

(f) to raise production in the food industry and the deliveries to the market funds by 9-10 percent up to the year 1990; to expand the range of products in all price levels and to combine the innovation of products with the improvement of their utility values, quality, and longer durability.

Article 7 -- Development of Forest and Water Economy

/1/ To ensure the conditions in the forest economy for maintaining reproduction and other functions of forests, it is set down:

(a) to direct main attention toward intensifying cultivation activities, while enhancing care for new wood copses less than 50 years old and enhancing prevention and protection activities and care to keep the forests clean and to remove the damage caused by emissions, parasites, and other influences of civilization;

(b) to strikingly improve the handling of lumber in the entire national economy; and to establish conditions for its increased utilization;

/2/ In water economy it is set down:

(a) to ensure the necessary amounts and quality of water both for the natinal economy and for the population, while consistently enforcing a rational use of water;

(b) to expand and protect all water resources and to ensure the protection of water against pollution;

(c) to establish prerequisites for an efficient development of irrigation, for the use of hydro-energy, and for enhancing anti-flood protection.

Article 8 -- Development of Construction Production

For developing the construction production it is set down:

(a) to ensure the growth of the construction production of supplier organizations by 10 percent and to raise its efficiency; and also to ensure that an 80-85 percent increase in the volume of construction work is accounted for by the growth of labor productivity;

(b) to be more consistent in adjusting the construction facilities to the set priorities in the orientation of capital investments both in the country and in exports, including the integration projects; and to insure the needs of modernization, reconstruction, repairs, and maintenance of basic assets, especially those of the housing fund;

(c) to devote increased care to the quality of construction work; to raise technical discipline and personal responsibility for the submitted work; to increase the utilization of construction machinery, equipment, and transportation means; and to make more consistent use of working hours.

Article 9 -- Development of Transportation and Communications

/1/ The decisive task of the transportation system is to improve quality, reliability, safety, and thrift in satisfying the transportation needs of both the national economy and of the population; and to ensure this it is set down:

(a) to strengthen public transportation and, within its framework, particularly railroad and water transportation, in keeping with the transportation policy in freight transportation;

(b) to develop on a priority basis the electric drive in railroad and city mass transport, while simultaneously cutting specific consumption of motor fuels and electric energy per unit of output in all transportation sectors, but above all in transportation inside plants;

(c) to achieve increased transportation efficiency by making increased use of transportation means, by modernizing them, by improving repairs, by tightening order and discipline, and by accelerating the development of progressive transportation systems;

(d) to renew and modernize roads and the traffic, transportation, and maneuvering means; to rebuild railroad tracks and stations, while continuing the electrification of tracks, and to equip them with automated safety devices; and to continue building the highways and the vital ground communications;

/2/ to develop communications it is set down to continue expanding and improving the communications services; to modernize, rebuild, and develop the technical base of the communications networks; and to prepare conditions for introducing new services, including data and text transfers for management needs.

Article 10 -- Development of Economic Contacts Abroad

In developing economic contacts abroad it is set down:

(a) to improve the exchange rates, primarily through a higher valorization of invested work and through an efficient export-import structure;

(b) to raise the share of engineering and of sectors based on the domestic raw material base in the international division of labor;

(c) to increase the foreign currency revenues from the services offered, particularly from foreign tourism, the spa sector, and other forms of non-material export;

(d) in relation to the socialist states, to permanently deepen all-round economic contacts and scientific-technical cooperation, particularly with the CEMA member-states, above all with the USSR;

(e) in relation to nonsocialist states, to develop mutually advantageous exchange, while making increased use of cooperation and collaboration in third markets; and to deepen economic cooperation with the developing states, which bilaterally ensures higher profit from mutual cooperation and from participation in their industrialization.

Article 11 -- Development of Capital Investment

In the development of capital investment it is set down:

(a) to realize a 10-12 percent increase of the overall volume of capital investment for the years 1986-90 as a whole, compared with the period of the Seventh 5-Year Plan, while achieving a more striking change of structure in favor of machinery and equipment;

(b) to raise the share of investments in efficiently modernizing and rebuilding the production base; and to ensure the timely commissioning of facilities for operation, while achieving the envisaged parameters; not to start projects which are not properly prepared and not insured with the necessary deliveries; and to establish conditions for consistently cutting the excessive number of uncompleted construction projects and for shortening the deadlines for capital construction projects;

(c) to ensure a thrifty use of investments and to stop the unjustified growth of budgetary costs; to dramatically accelerate the renewal of worn-out basic assets on a higher technical level; and to accelerate the write-off of basic machinery assets which have become outdated.

Article 12 -- Development of Living Standards

/1/ In the development of living standards it is set down:

(a) to consistently combine the further improvement of the population's living standards and the consolidation of their certainties in life with the results which will be achieved in the development of national economy; to orient the main trends and paths of developing living standards more toward the measures which will lead to a stronger link between the interests of individual members of the society and the interests of the entire society; and for this reason to link the 11-12 percent growth of personal consumption as closely as possible with the results of work;

(b) to further improve the system of old-age pensions and of assistance to families with several children; and to improve provisions for the working people at the time of illness, in keeping with the economic possibilities created and in harmony with the overall development of the population's real incomes;

(c) to comprehensively improve housing conditions and to establish territorial, technical-economic, and material conditions and facilities for the construction of 480,000 new apartments, including civic and technical facilities; to make a more consistent use of the existing housing fund; to improve the scope and quality of its repairs and maintenance; and to support individual housing construction;

(d) to aim the broadly developed system of care for the population's health particularly at improving the quality of medical services, including preventive care; to rationalize and modernize the network of medical care facilities, and to further expand it;

/2/ In the sphere of the wages and labor policy, it is set down:

(a) to base the growth of the population's incomes on increased labor productivity; and to ensure a greater differentiation in remunerations;

(b) to ensure the proportion principle in the development of wages in both the production and the nonproduction spheres;

(c) to develop the brigade forms of labor organization and remuneration;

(d) with the participation of trade union agencies and the working people, to enhance the organizations' care for the improvement of working and living conditions, of working environments, of hygiene, and of labor safety.

Article 13 -- Creation and Protection of Living Environments

To ensure the creation and protection of living environments as one of the key issues in improving the citizens' living standards and as the basic prerequisite of the care for people, it is set down:

(a) to set apart special-purpose means of at least Kcs 17 billion for specific ecological projects;

(b) to gradually resolve environmental problems, mainly by halting the increase of air pollution; by consistently protecting and rationally using the sources of underground and surface water; by increasingly protecting agricultural and forest soil; and by generally strengthening the country's ecological stability.

Part Three -- Conditions and Prerequisites for the Realization of the Eighth 5-Year Plan

Article 14 -- The Governments' Tasks

The CSSR Government and the Republican Governments

(a) ensure, in their management activities, the specification of the basic tasks set by the present law;

(b) specify the tasks set down by this law and systematically check on their fulfillment;

(c) coordinate, within the framework of their activity and according to previous regulations [predchozi ustanoveni], the activity of agencies of the state administration and of economic management, so that the tasks set down in this law are fulfilled in the best possible way and so that the most favorable economic and social results are achieved;

(d) organize work on the state executive (annual) plans so that the fulfillment of the Eighth 5-Year Plan is insured;

(e) see to the improvement of the system of national economy management.

Article 15 -- Tasks of the Agencies of State Administration, of Economic Management Agencies, and of Organizations

/1/ The agencies of state administration and economic management agencies are responsible for the consistent realization of the tasks set down by the present law; for setting specific tasks and duties to the subordinated agencies and organizations; and for the systematic control and evaluation of these agencies and organizations.

/2/ The agencies of the middle management and of the organization sector are duty bound to search for and to implement, actively and enterprisingly, the most efficient ways, courses, and measures for ensuring the accomplishment of their duties; and for this purpose also to make use of counterplanning and of socialist competition.

/3/ All management levels are duty bound to check on the fulfillment of the Eighth 5-Year Plan and to establish conditions for the realization of the plan.

Article 16 -- Perfecting the Planned Management of the National Economy

With the aim of strengthening the influence on the acceleration of the intensification process and on the growth of efficiency and quality, it is set down:

(a) to strengthen the long-term nature of central planning, to raise its scientific standards, and to insure the shaping of a progressive structure of production and its intensification, while insuring a systematic interlinkage of 5-year and annual plans;

(b) to establish prerequisites for a more effective impact of value relations, and particularly of the price system, calculations, and technical-economic norms, placing emphasis on the implementation of exacting conditions; to perfect and make consistent use of financial and foreign currency tools, including foreign currency rates, and thus to tighten the best possible link between the plan and economic accountability [khozraschchet], with the aim of more effectively influencing the economic and financial equilibrium and currency stability;

(c) to intensify the efficiency of work done by the state apparatus; to simplify its activity and make it thriftier; and to diminish the demands placed by management on administrative work;

(d) to establish conditions for raising the working people's participation in management, as the basic prerequisite for mobilizing the working collectives and their initiative for achieving the intentions set down by the present law.

Article 17 -- Role of the Financial, Budget, and Currency System

/1/ The state budgets of the Czechoslovak Federation and the republic state budgets proceed from the basic tasks of the Eighth 5-Year Plan and the republic 5-year plans; from the CSSR's budget outlook and the republic budget outlooks for the years 1986-90; from state executive plans; and from the principles formulated by the CSSR Government. The state budgets of the Czechoslovak Federation and the republic state budgets support the intentions and tasks of state plans and, with the aid of financial-economic tools, actively influence the fulfillment of the plans and the enforcement of thrift.

/2/ The CSSR's currency outlook for the yeas 1986-90 is particularly oriented toward accelerating the enforcement of the intensification factors of economic growth; toward consolidating the internal and external economic equilibrium; and toward stabilizing the purchasing power of the Czechoslovak koruna (Kcs).

/3/ To specify the goals and ensure the society-wide intentions of the financial, budget, and currency policy, the CSSR Government sets corresponding tasks.

/4/ All agencies of the Federation and of the republics which are responsible for the elaboration of draft budgets strive, in preparing the drafts and also in the course of the budget economy, to tighten up the tasks set by Article 3.

/5/ The state budgets of the Czechoslovak Federation and the republic state budgets are, on principle, balanced.

/6/ To insure the balanced nature of the republic state budgets, special-purpose and global subsidies to the republic state budgets are granted from the state budget of the Federation, in linkage with the tasks of the CSSR's state executive plans and in harmony with the principle of thrift.

Part Four -- Final Stipulations

Article 18 -- Empowering Stipulations

/1/ The CSSR Government, or the republic governments respectively, may permit exceptions from the stipulations of laws governing the management of the national economy for purposes of experimentally verifying the new elements of the planned management of the national economy and for purposes of insuring the realization of integration actions set down by the Eighth 5-Year Plan.

/2/ For insuring the appropriate quality and efficiency of performances and products, particularly in production and in similar economic activities, the CSSR Government may issue generally binding legal regulations on the basis of the present law.

/3/ To insure the thrifty use of selected resources of raw and other materials, the central agencies of the Federation's state administration may issue generally binding legal regulations on the basis of the present law and on the basis of principles set down by the CSSR Government.

Article 19 -- Standing of the State Plan of National Economy Development for the Year 1986

The state plan of the CSSR's national economy development for the year 1986, set down on the basis of law No 115/1985 of the Law Code, is a state executive plan for the Eighth 5-Year Plan.

Article 20

This law becomes valid on the day of its promulgation.

FOJTIK, BILAK ADDRESS IDEOLOGICAL COMMISSION

LD031739 Prague Domestic Service in Czech 1500 GMT 3 Dec 86

[Text] The CPCZ Central Committee Ideological Commission held an enlarged session in Prague today. Jan Fojtik, candidate member of the Presidium and secretary of the CPCZ Central Committee, briefed the participants in the meeting on the results of the visit to the Soviet Union by a CPCZ Central Committee delegation on 13-18 October at the invitation of the CPSU Central Committee. He also dealt with topical tasks in the ideological activity of the CPCZ in the implementation of the program set by the 17th CPCZ Congress.

The commission also discussed principal tasks in strengthening the technical and material infrastructure of propaganda activity, ideological and subject matter plans of Czechoslovak Television and the Czechoslovak Radio in the period of 1987-88 and measures aimed at raising the standard of popular music.

Vasil Bilak, member of the Presidium and secretary of the CPCZ Central Committee, speaking at the close of the session stressed the exacting demands that the present period is placing on ideological work and said that it is essential to explain readily, convincingly and truthfully the demanding tasks of socialist development and to mobilize the people for the consistant fulfillment of the economic tasks of the Eighth 5-Year Plan.

KAPAK, HAMAN CITED ON ECONOMIC PROBLEMS

AU161023 Prague RUDE PRAVO in Czech 12 Dec 86 pp 1, 2

["Ada"-signed report]

[Excerpts] Prague -- On 11 December in Prague, the Prague CPCZ City Committee discussed the tasks arising for its organizations from the conclusions of the Fourth Session of the CPCZ Central Committee. [passage omitted] The session was attended by Josef Haman, candidate member of the Presidium and secretary of the CPCZ Central Committee. [passage omitted] The report of the Presidium of the Prague CPCZ City Committee, delivered by Antonin Kapek, member of the CPCZ Central Committee Presidium, as well as many statements made during the debate, openly pointed out problems with which the Prague party organization must grapple. They concern, in particular, shortcomings in the fulfillment of the 1986 economic plans, which indicate that it is necessary to further raise consistency and resolve in implementing the conclusions of the 17th CPCZ Congress.

As the report stated, in Prague there has been an increase in the number of enterprises that do not fulfill the basic tasks of the plan. At the same time, there has also been an increase in the number of enterprises that fulfill neither the planned production volume nor mandatory indicators. These are, for example, Dyes and Varnishes, ZPA cakovice, Chirana Modrany, Avia Letnany, Technoplyn, Tesla Hloubetin, Interier, Triola, Astrid, and so forth. [passage omitted]

The session of the city committee also analyzed preparations for the 1987 plan. In this connection Comrade Kapek stressed that Tesla Holesovice, for example, is one of those enterprises that have displayed initiative in the course of the year and set themselves a more exacting plan. Because, contrary to the customary practice, it did not provide for any reserves in the draft it has submitted, it now has to pay a heavy price for its approach: The Tesla-Consumer Electronics economic production unit now demands of the enterprise a substantially higher production growth. The city committee is opposed to such index-based methods because they increase the burden for those who show initiative and make life easier for those who keep their reserves under safe cover.

There are many such discrepancies in the draft plans of Prague enterprises. Only 35 of the city's 72 enterprises drew up their plans for next year in keeping with the guideline. [passage omitted]

Among those who took the floor during the debate was also Comrade Josef Haman. He said that the course and the results of the Fourth Session of the CPCZ Central Committee represent an important and significant step toward the implementation of the resolutions of the 17th party congress, toward the consistent translation of its political line into life. What matters is, above all, the practical application of the line of great exactingness, the enforcement of specific requirements and ways of speeding up the socioeconomic development on the basis of intensification, and the application of methods and forms of management that correspond to this aim, that is, the gradual reconstruction of the economic mechanism and the expansion of people's participation in management. Speaking about the present problems of supplier-user relations, supplies of materials and technology, and lacking linkages within economic plans, he stressed that they cannot be resolved without active and far more efficient work, greater discipline, and, above all, a substantial improvement in the quality of direct managerial work and supervision in the economic sphere itself. This must be fully realized everywhere, he said. However, along with this it also holds true that both "down below" and "at the top" it is also necessary to increase demands placed on the standard, quality, and efficiency of managerial work, on comprehensive and interlinked plans, and on competent and timely decisions on questions and problems that have become ripe.

In this connection, he noted that in some sections we have to resist the growing tendency of a certain detachment and weakening of essential interaction between the work of central state economic agencies and general directorates on the one hand and the work collectives in enterprises and plants on the other. It goes without saying, Josef Haman stressed, that the aim cannot be to strengthen detailed central management by way of an even larger number of partial administrative orders, prohibitions, and penalties, by an abundance of detailed guidelines and decrees. Neither can we permit another extreme, the tendency of dodging responsibility and delegating the solution of virtually every problem to the overseeing agency. However, even the relevant central agencies, including the planning commissions, must not rid themselves of their responsibility for establishing, in a highly competent manner, the conceptual and basic material conditions for the necessary socioeconomic development of enterprises and entire sectors and branches.

Josef Haman also spoke about the need to work out the gradual reconstruction of the economic mechanism in the spirit of the resolutions of the 17th CPCZ Congress, a need arising from both the requirements of our internal development and the tasks of the new stage of the processes of socialist economic integration and deepening cooperation with fraternal socialist countries in CEMA. He also provided information on some of the main principles of the experiment that has been prepared with the aim of enhancing the legal powers and responsibility of economic organizations for their efficient development. In concluding, Josef Haman voiced appreciation for the results of the initiative of the Prague party organization and Prague enterprises within the "Through the Merger of Science and Production, Modernization, and Creative Efforts of Collectives Toward the Fulfillment of the 5-year Plan" drive and emphasized the need to expand it further, along with the initiative of the Central Trade Union Council, in order to meet the targets of the Eighth 5-Year Plan.

PITRA ADDRESSES CENTRAL BOHEMIAN MEETING

LD112258 Prague International Service in Czech 1700 GMT 11 Dec 86

[Text] The Central Bohemian CPCZ Regional Committee met in Prague. It emphasized the importance of the fourth party Central Committee session for the current activity of the regional party organization. The presidium report pointed out that the demanding tasks of this year are being successfully fulfilled in volume indicators only at a cost of higher expenditure and further growth of stocks. It also pointed out that the tasks for next year are more demanding in all initial indicators.

Frantisek Pitra, candidate of the Presidium and secretary of the party Central Committee, praised the critically demanding, factual and targeted approach of the Central Bohemian Party Regional Committee to working out the conclusions of the fourth CPCZ Central Committee session. He used concrete facts to show that the conclusions of the 17th congress are not being implemented with the necessary consistency and effect in a number of sectors. He concerned himself in detail with questions of quality and with the development of science and technology.

CHNOUPEK RECEIVES USSR'S GERASIMOV 9 DEC

LD100044 Bratislava Domestic Service in Slovak 1730 GMT 9 Dec 86

[Text] Bohuslav Chnoupek, minister of foreign affairs, has received in Prague Gennadiy Gerasimov, chief of the USSR Ministry of Foreign Affairs Political Administration. They assessed topical questions of foreign propaganda activities of the ministries of the two countries. Gennadiy Gerasimov then had a conversation with the leading employees of the Ministry of Foreign Affairs.

GERLE MEETS WITH USSR TRACTOR MINISTER

LD100012 Bratislava Domestic Service in Slovak 2030 GMT 9 Dec 86

[Text] Ladislav Gerle, deputy federal premier, received in Prague today Aleksandr Yezhevskiy, Soviet minister of tractor and agricultural machine building, who is visiting our country. They discussed questions of deepening cooperation between the two countries in the sphere of production and mutual deliveries of current technology for agricultural production, including questions of joint progress in the sphere of scientific-technological cooperation.

Minister Departs

LD101136 Prague Domestic Service in Czech 1000 GMT 10 Dec 86

[Text] Aleksandr Yezhevskiy, minister of tractor and agricultural machine building of the USSR, left Prague by air today. He had been paying a working visit to Czechoslovakia.

POLEDNIK RECEIVES NICARAGUAN TU DELEGATION

LD081944 Prague CTK in English 1747 GMT 8 Dec 86

[Text] Prague Dec 8 (CTK) -- Czechoslovak Communist Party Secretary Jindrich Polednik today received an offical delegation of the Sandinista Congress of Workers (CST), led by its general secretary Lucio Jiminez.

Jindrich Polednik expressed Czechoslovakia's solidarity with the just struggle of the Nicaraguan people for free and independent development, against interference in its internal affairs, against barbarous actions by the counter-revolutionary forces and the growing aggressiveness of North American imperialism. He condemned the preparations of a direct military action against the country, with U.S. and Honduran troops involved, and described the December 7 bombing of two north Nicaraguan villages as unprecedented. He informed the Nicaraguan guests of the present development in Czechoslovakia and the most important tasks of Czechoslovak communists.

Lucio Jimenez thanked for the support of the Czechoslovak people and voiced the conviction that friendship, solidarity and cooperation between the two countries would be further promoted.

The Nicaraguan delegation is visiting Czechoslovakia at the invitation of the Central Council of Trade Unions.

COMMERCE, INDUSTRY DELEGATION VISITS LEBANON

LD111652 Prague CTK in English 1559 GMT 11 Dec 86

[Text] Beirut Dec 11 (CTK correspondent) -- A delegation of the Czechoslovak Chamber of Commerce and Industry, led by General Secretary Frantisek Fisera, arrived here today to discuss the promotion of trade with Lebanon which is traditionally good despite the complicated situation in Lebanon. The delegation is to be received by Minister of Economy, Trade, Industry and Oil Victor Qasir and meet with officials of the Lebanese Chamber of Commerce, Council for Development and Reconstruction and other commercial and industrial circles.

LEADERS GREET ALBANIA ON STATE HOLIDAY

AU041631 Bratislava PRAVDA in Slovak 29 Nov 86 p 1

[CTK report: "On the State Holiday of the People's Socialist Republic of Albania"]

[Text] Prague (CTK) -- Gustav Husak, CSSR president, has sent Ramiz Alia, chairman of the Presidium of the People's Assembly of the People's Socialist Republic of Albania, a congratulatory telegram on the occasion of the state holiday in the latter's country. On the same occasion congratulatory telegrams were also sent by CSSR Premier Lubomir Strougal to Adil Carcani, chairman of the Council of Ministers of the People's Socialist Republic of Albania; by Alois Indra, chairman of the CSSR Federal Assembly, to Pali Miska, chairman of the People's Assembly of the People's Socialist Republic of Albania; and by Bohuslav Chnoupek, CSSR minister of foreign affairs, to Reis Malile, minister of foreign affairs of the People's Socialist Republic of Albania.

CHNOUPEK COMMENTS ON VISIT TO ROMANIA

AU052104 Bratislava PRAVDA in Slovak 1 Dec 86 p 5

[CTK report: "Successful and Substantial Talks; Bohuslav Chnoupek Ends Official Visit to the SR of Romania"]

[Excerpts] Bucharest (CTK correspondent) -- On Saturday [29 November], the last day of his official friendly visit to Romania, Bohuslav Chnoupek, CSSR minister of foreign affairs, arrived in Pitesti, the provincial capital of Arges County which maintains partnership contacts with the central Slovak region.

On the premises of the RCP's County Committee he was received by Constantin Zamfir, first secretary and chairman of the People's County Council. [passage omitted]

On the conclusion of his stay in Romania, B. Chnoupek granted an interview to Czechoslovak journalists. He called the results of his visit successful, and the talks substantial, friendly, and comradely. He stated that the reception by Nicolae Ceausescu, RCP general secretary and president of the SR of Romania, confirmed the concurrence of views on the main international issues, such as the consolidation of peace, the effort toward disarmament, and the interest in broad international cooperation and unity, above all the unity of socialist countries. The reception also confirmed the unity of opinion on the further development of mutual relations and on the utilization of all reserves, particularly in the sphere of economic cooperation where the emphasis lies on cooperation and specialization. These relations are developing primarily on the basis of conclusions adopted by the congresses of the two parties; they are brought up to date by the results of the meeting between Comrades Husak and Ceausescu. B. Chnoupek then expressed the conviction that the dynamic trend currently reigning in all spheres -- that means also in the economy, where one has succeeded in halting a certain decline and in reverting to the best years -- has good prospects, and that the effort exerted is certain to yield fruit. I also discussed all the basic issues of foreign policy with Ioannu Totu, minister of foreign affairs of the SR of Romania, and here I also find a unity of opinion, as is also expressed in the press report issued at the close of the visit, the CSSR Minister of Foreign Affairs stated.

The same day Bohuslav Chnoupek concluded his official friendly visit to Romania and departed for home. [passage omitted]

SCIENCE-TECHNOLOGY DEAL SIGNED WITH BULGARIA

LD101449 Prague CTK in English 1346 GMT 10 Dec 86

[Text] Prague Dec 10 (CTK) -- Czechoslovak and Bulgarian officials today concluded their talks on future contacts in science and technology and signed a document envisaging bilateral cooperation in the area in the 1986-1990 period. The talks, held by Czechoslovak Deputy Premier and head of the Scientific-Technological Development and Investments Commission Jaromir Obzina and visiting Bulgarian First Deputy Premier Stoyan Markov, centred on Czechoslovak-Bulgarian cooperation in the area and the two countries' share in the implementation of the Comprehensive Program of Scientific and Technological Progress of the Council for Mutual Economic Assistance (CMEA) Member Countries up to the Year 2000.

According to the final document, the fields of bilateral cooperation will include biotechnology, new materials, advanced engineering and electronic technologies and the development of automation and electronization of the two countries' economies. The officials also discussed prospects of closer bilateral cooperation in the area of laser and computer technologies.

WILLI STOPH RECEIVES USSR'S LEV VORONIN

AU051954 East Berlin NEUES DEUTSCHLAND in German 3 Dec 86 pp 1-2

[Text] Berlin (ADN) -- Willi Stoph, chairman of the GDR Council of Ministers, received Lev Voronin, deputy chairman of the Council of Ministers and chairman of the State Committee for Material and Technical Supply of the USSR, for a talk 2 November.

Willi Stoph reported on the course and results of the third meeting of the SED Central Committee and stressed that the GDR will unswervingly continue the dynamic development in the domestic and foreign political field as mapped out by the 11th SED Congress. The GDR fully supports the constructive disarmament initiatives of the USSR and will continue to do everything to avert the danger of a nuclear inferno, he said.

As Willi Stoph stressed, the third plenum turned into a great exchange of experiences on continuing the main taks in its unity of economic and social policy. All steps necessary for this are reflected in the law on the 5-year plan, which became the working program of the entire people. It aims at putting intensification on a lasting basis, above all by the broad application of key technologies, by rationalization, and a high material and energy economy, to thus create stable prerequisites for further improving the working and living conditions of the people. Willi Stoph stressed that the deepening of cooperation between the GDR and USSR and the other countries of the socialist coummunity is a firm foundation for the dynamic development of our national economy.

The partners in the talk expressed the conviction that the process of intensifying the national economies will be given even stronger stimuli through a closer cooperation between both countries. In this connection he referred to the cooperation and the exchange of experiences in increasing the material and energy economy, in better utilizing secondary raw materials, as well as in securing production from a material-technical point of view. Lev Voronin highly praised GDR's experiences and successes in these fields.

Both politicians agreed that the agreements of 3 October this year between the SED Central Committee general secretary and GDR State Council general secretary, Erich Honecker, and the CPSU Central Committee general secretary, Mikhail Gorbachev, open new dimensions for the cooperation between both countries in mastering scientific-technological progress and its economic utilization.

The meeting, which took place in a cordial and constructive atmosphere, was attended by Wolfgang Rauchfuss, deputy chairman of the Council of Ministers and minister of martial economy. Also present was Vyacheslav Kochemasov, ambassador extraordinary and plenipotentiary of the USSR to the GDR.

SCHUERER, CPSU'S ANTONOV HOLD TALKS, VISIT PLANT

LD162125 East Berlin ADN International Service in German 1557 GMT 16 Dec 86

[Text] Dresden, 16 Dec (ADN) -- The GDR-USSR Intergovernmental Commission for Economic and Scientific-Technological Cooperation continued its work on Tuesday with discussions in enterprises and institutions. Its chairmen, Vice Premiers Gerhard Schuerer, candidate member of the SED Central Committee Politburo; and Aleksey Antonov, member of the CPSU Central Committee, studied the experience gained in the reequipment of Sachsenwerk in Dresden and the flexible automated production of servomotors, particularly for robots and machine tools, in a plant of the electrical machinery construction combine. They visited the renowned Planeta Printing Press Factory in Radebeul.

Departmental ministers of both countries on the same day discussed the state of cooperation in their fields as well as measures to increase performance by way of greater intensification.

CSSR DEPUTY PREMIER OBZINA ARRIVES FOR TALKS

LD160040 Prague CTK in English 2052 GMT 15 Dec 86

[Text] Berlin, Dec 15 (CTK correspondent) -- Czechoslovak Deputy Premier and Chairman of the State Commission for Scientific and Technical Development and Investments Jaromir Obina arrived here today on a working visit to the GDR and was met by Chairman of the GDR Council of Ministers Willi Stoph.

Willi Stoph appreciated the friendly relations and cooperation developing between the two countries. On this occasion he stressed the need to use scientific and technical achievements and economic strategy in protecting and creating living environment. This is the only way of improving the living conditions and increasing the efficiency of the national economy, he said.

Jaromir Obzina spoke of the tasks laid down by the 17th Czechoslovak Communist Party Congress in the sphere of improving the living environment and pointed to measures due to be taken in Czechslovakia in the nearest future. He also appreciated Czechoslovak-GDR cooperation in environmental protection.

Environmental Issues Discussed

LD160028 East Berlin ADN International Service in German 1815 GMT 15 Dec 86

[Text] Berlin, 15 Dec (ADN) -- GDR Premier Willi Stoph on Monday met Dr Jaromir Obzina, CSSR deputy premier and chairman of the State Commission for Scientific-Technical and Investment Development, who is playing a working visit to the GDR. Willi Stoph praised the close friendly relations and all around cooperation of both countries, which are steadily growing deeper on the basis of the top-level program of scientific-technical cooperation for the period ending in the year 2000.

Willi Stoph briefed his visitor on the positive dynamic development of the GDR economy and the effort made to implement the 11th SED Congress decisions. He said that in the 1986-1990 period, the task was to very closely combine the protection and development of the natural environment through the use of new scientific-technical knowledge with the tasks of the economic strategy. That would be a great contribution to improving environmental conditions, including working and living conditions, and to increasing economic efficiency. The ever-wider application of key technologies would open fresh opportunties to solve these tasks.

Both men agreed that securing peace and preventing a nuclear holocaust are crucial conditions for the prusuit of a successful environmental policy to preserve and protect life and the natural environment. That was why both countries support the Soviet Union's proposals to eliminate the danger of nuclear war by the non-militarization of space and the ending of the arms race.

Willi Stoph and Dr Jaromir Obzina praised the successful cooperation of the GDR and CSSR in lessening air pollution and its effects. Dr Obzina spoke of the tasks set by the 17th CPCZ Congress to improve the environment and referred specifically to the relevant measures that the CSSR will implement in the years ahead. He expressed his appreciation for the close cooperation with the GDR in the environmental protection field.

Environmental Protection Accord

LD161825 East Berlin ADN International Service in German 1432 GMT 16 Dec 86

[Text] Berlin, 16 Dec (ADN) -- An agreement on future GDR-CSSR cooperation until 1990 in the development and protection of the environment on either side of their common state border was signed in Berlin on Tuesday by Dr Hans Reichelt, vice chairman of the GDR Council of Ministers and minister for environmental protection and water supplies, and Dr Jaromir Obzina, vice chairman of the CSSR Government and chairman of the State Commission for Scientific-Technical and Investment Development. In the negotiations leading up to the agreement, both sides reviewed the implementation of the November 1981 bilateral government agreement to reduce air pollution and protect forests. They stressed the benefit of their joint measures and discussed steps to extend cooperation.

The new agreement provides for greater cooperation in the protection and rational management of forests, and the rehabilitation and cultivation of woodland. There is to be greater scientific-technological cooperation in keeping the air clean. This will include developing and introducing new processes to reduce the emission of air pollutants, chiefly sulphur dioxide and nitrogen oxides. Both countries are planning some 30 important investment projects to remove air pollutants, specifically to desulphurize fumes in heating plants, heating power stations, and industrial enterprises. They will concentrate their cooperative efforts on the regular monitoring and control of the environment.

During his stay in the GDR, the CSSR visitor was briefed in Karl-Marx-Stadt Bezirk and East Berlin on practical measures to reduce waste materials in industrial production, to recycle material from waste products and waste dumps, to desulphurize fumes, to improve the state of forests, to protect waters, and to treat waste water. He held discussions with specialists and scientists and toured installations in enterprises and institutions.

HONECKER RECEIVES CREDENTIALS OF FOUR AMBASSADORS

LD111804 East Berlin ADN International Service in German 1412 GMT 11 Dec 86

[Text] Berlin, 11 Dec (ADN) -- Erich Honecker, general secretary of the SED Central Committee and chairman of the GDR State Council, received the ambassadors of the People's Democratic Republic of Yemen, 'Ali Isma'il Sayf; the Kingdom of Denmark, Erik Herluf Krog-Meyer; Canada, Eric Bergbusch; and the People's Republic of Kampuchea, Meas Sip today for the presentation of their letters of credence.

Erich Honecker told the diplomats that the GDR will continue to contribute to the development of bilateral relations. Active political dialogue is an important factor for confidence-building, and thus also a contribution to the consolidation of peace, improvement of the international situation and the promotion of disarmament.

Erich Honecker stressed that the safeguarding of peace and the prevention of a nuclear catastrophe are the most important contemporary tasks. It is in this spirit that the GDR strongly supports the constructive and responsible proposals of the USSR, which represent an opportunity to free Europe and the world from nuclear weapons.

DECLARATION OF HUMAN RIGHTS COMMITTEE PUBLISHED

AU160955 East Berlin NEUES DEUTSCHLAND in German 10 December 86 p 2

[Text] East Berlin (ADN) -- Protecting the fundamental human right to life in peace and security requires more urgently than ever that the danger of a nuclear inferno be averted, because the survival of all mankind is at stake, says a declaration of the GDR Human Rights Committee on the 30th anniversary of the passing of the General Declaration of Human Rights by the UN General Assembly. As a social committee, it supports with all its strength the GDR's policy that is directed toward peace and disarmament, toward dialogue and cooperation. This policy corresponds to the basic interests of the citizens, who are implementing the decisions of the 11th SED Congress with industriousness and imagination and are thus strengthening socialism as an abode of peace.

The socialist planned economy, production growth, and rising production efficiency guarantee and promote in the GDR the implementation of human rights in their inseparable unity of political, socioeconomic, and cultural rights, the declaration states. Creative work free of exploitation, full employment, social security, and equal opportunities for education are characteristics of the socialist practice with regard to human rights in the same way as the fact that almost every third GDR citizen is working in an honorary state or social function.

The committee stands with determination against the pronouncements of those Western politicians who reduce human rights to slogans for crusades in ideological warfare and want to detract from the violation of basic human rights in their own camps.

On Human Rights Day the committee again expresses solidarity with the victims of mass human rights violations in the capitalist world and stands at the side of the peoples who are fighting for national and social liberation. The committee will continue to work for the further strengthening of the worldwide coalition of reason and realism.

KRENZ ADDRESSES MEETING OF COMMANDERS IN DRESDEN

LD131145 East Berlin Voice of GDR Domestic Service in German 2100 GMT 12 Dec 86

[Text] At a meeting of commanders in Dresden today, Egon Krenz, Politburo member and secretary of the SED Central Committee, thanked on behalf of Erich Honecker the members of the combat groups of the working class for their outstanding achievements. With great personal commitment they fulfilled in this training year the class task confirmed by the 11th party congress to protect the socialist order and peaceful life of the citizens against all enemies.

Egon Krenz said that the GDR, with its policy of dialogue, with the struggle for a coalition of reason and realism, constructively contributes to the socialist peace program. Great responsibility falls on the task forces for the successful continuation of the unity of economic and social policy, and the protection of revolutionary achievements. In the GDR, it has become a given that in the workers' and peasants' state, no higher interest prevails than that of the welfare of its citizens.

MUELLER, FRG'S KUNZE DISCUSS INTRA-GERMAN TIES

LD161719 East Berlin ADN International Service in German 1510 GMT 16 Dec 86

[Text] Berlin, 16 Dec (ADN) -- Dr Walter Mueller, the representative of the GDR Government, and Senate Counsellor Gerhard Kunze, the representative of the Senate of West Berlin, today met for a talk at the GDR ministry of Foreign Affairs. Questions of relations between the GDR and West Berlin were discussed during the talk.

BRIEFS

MOSCOW EXARCH VISITS -- On 6 November Klaus Gysi, state secretary for church affairs, received for a first visit Archbishop German, newly appointed exarch of the Moscow patriach of the Russian Orthodox Church for Berlin and Central Europe. The state secretary wished him success in the responsible work and praised the intensive contacts between the churches in the GDR and the Russian Orthodox Church as a great contribution to the strengthening of the peace forces. Klaus Gysi reported on the development of the relations between state and church in the GDR and Archbishop German stressed the importance of the moral power of the believers in the world in fighting the nuclear threat. [Summary] [East Berlin NEUES DEUTSCHLAND in German 7 Nov 86 p 2 AU]

FDJ DELEGATION VISITS U.S. -- On 6 November a delegation of the FDJ parliamentary group in the GDR People's Chamber concluded a 3-week visit to the United States. The delegation, headed by Hans Haertel, member of the People's Chamber, was invited by the U.S. Information Agency. The numerous meetings held by the delegation concentrated on questions of securing peace in the world and on the contribution of the young generation to that task. The delegation met with deputies, among them Bill Frenzel, member of the House of Representatives, and leading staff members of departments and local authorities in Washington, New York, San Francisco, Minneapolis, Sacramento, and other U.S. cities. [Summary] [East Berlin NEUES DEUTSCHLAND in German 7 Nov 86 p 7 AU]

BRITISH STATE SECRETARY -- On 3 December, Gerhard Beil, minister for foreign trade, received for a talk Minister Lord Lucas of Chilworth, parliamentary secretary of state for trade and industry of the United Kingdom of Great Britain and Northern Ireland who is in the GDR for an official visit on the occasion of the Technical Days of Great Britain held from 1-5 December. Both sides stressed their interest and their readiness to deepen economic relations. On the same day, the British state secretary met with Horst Weihs, deputy minister of the chemical industry, to discuss possibilities of expanding cooperation in this sector. [Summary] [East Berlin NEUES DEUTSCHLAND in German 4 Dec 86 p 2 AU]

LAZAR TO LEAVE FOR 'WORKING VISIT' TO USSR

LD161922 Budapest MTI in English 1751 GMT 16 Dec 86

[Text] Budapest, December 16 (MTI) -- Gyorgy Lazar, chairman of the Council of Ministers of the Hungarian People's Republic, is to leave for the Soviet Union on a working visit on the invitation of the Soviet Government in the coming days.

PAL RECEIVES SOVIET PARTY WORKERS DELEGATION

LD141447 Budapest Domestic Service in Hungarian 1300 GMT 14 Dec 86

[Text] The delegation of Soviet party workers visiting our country has been studying the Hungarian experiences in the acceleration of scientific-technical progress. The delegation was also received by Lenard Pal, Central Committee secretary. The delegation visited, among other places, the Hungarian Academy of Sciences, the Ministry of Industry, and the National Technical Development Bank.

PZPR DELEGATION VISITS BUDAPEST 8-12 DEC

LD130237 Budapest MTI in English 2140 GMT 12 Dec 86

[Text] Budapest, December 12 (MTI) -- A party delegation of the Department of Social Organizations of the Central Committee of the Polish United Workers Party, led by head of department Maciej Lubczynski, stayed in Budapest from December 8 to 12 on the invitation of the Central Committee of the Hungarian Socialist Workers' Party.

The Polish delegation held talks with Istvan Petrovszki and Laszlo Ballai, heads of department of the HSWP Central Committee and leaders of the Central Council of Hungarian Trade Unions. During their programme in Budapest and County Veszprem, the delegation studied the experience in the party management of trade unions, the extension of workplace democracy and the implementation of social policy goals.

Istvan Horvath, secretary of the HSWP Central Committee, met the representatives of the Polish fraternal party.

SZAKALI-LED DELEGATION RETURNS FROM BULGARIA

LD130043 Budapest MTI in English 1955 GMT 12 Dec 86

[Text] Sofia, December 12 (MTI) -- On Friday the delegation of the Hungarian Central People's Control Committee, headed by Chairman Jozsef Szakali, returned from their visit to Sofia on December 7-12. The delegation was invited to the People's Republic of Bulgaria by Georgi Georgiev, chairman of the state and people's control committee.

Joszef Szakali met Georgi Atanasov, member of the Political Committee of the Communist Party of Bulgaria and chairman of the Council of Ministers of the People's Republic of Bulgaria. The parties to the talks expressed their satisfaction over the development of cooperation between the two fraternal countries and stressed the mutual effort to improve cooperation between the state and people's control organs of the two countries.

In Sofia the delegation laid a wreath on the Dimitrov Mausoleum and visited the local machine tool factory. They had an exchange of views at the Bulgarian State and People's Control Committee, where the Bulgarian delegation to the talks was headed by Georgi Georgiev, chairman of the Bulgarian organization.

INTERIOR MINISTER, DELEGATION DEPART FOR CUBA

LD142233 Budapest MTI in English 1820 GMT 14 Dec 86

[Text] Budapest, December 14 (MTI) -- A Hungarian delegation, headed by Janos Kamara, minister of the interior, left for the Republic of Cuba on an official friendship visit on Sunday. The Hungarian delegation was invited by Jose Abrantes Fernandez, minister of the interior.

PRESS CONFERENCE REPORTS ON JOINT CSSR TRADE

LD091548 Budapest MTI in English 1355 GMT 9 Dec 86

[Text] Budapest, December 9 (MTI) -- On the occasion of the signing of next year's trade protocol between Hungary and Czechoslovakia, a press conference was held at the Budapest building of the trade department of the Czechoslovak Embassy on Tuesday. The event was also attended by Ondrej Durej, ambassador of Czechoslovakia to Budapest. It was stated at the press conference that the envisaged value of the 1987 goods exchange is 1,670 million roubles, 4.6 per cent more than 1st year. Hungary will mainly import machines, installations, caes, engines, food products and pharmaceuticals and export agricultural machines, telecommunications devices, buses, fruits, vegetables, meat and wine. A fifth of the turnover will be composed of department store exchanges, border-zone traffic, direct exchanges between the two home trade ministries and joint cooperative activity.

PRESIDENTIAL COUNCIL HOLDS MEETING 28 NOV

AU031206 Budapest NEPSZABADSAG in Hungarian 29 Nov 86 p 1

[MTI report: "Session of the Presidential Council -- National Assembly Session Convened for 19 December -- Banking System Modified -- Land Evaluation Regulated Anew"]

[Text] The Presidential Council of the Hungarian People's Republic held a meeting on 28 November. On the basis of paragraph 22, Article (2) of the Constitution, that body convened the National Assembly for 1000 19 December. The Council of Ministers proposes to the National Assembly that the draft bill of the 1987 state budget and the report on the government's foreign policy activity be put on the agenda of the meeting.

Discussing the report submitted by the Council of Ministers, the Presidential Council modified Law No. 2 of 1979 on the state's financial affairs as welle as certain points of Law No. 36 of 1967 on the activity of the Hungarian National Bank, both to further developing the banking system. The changes to be introduced as of 1 January 1987 will create the organizational and legal framework and conditions for a two-level banking system. In the future, the functions of issuing banks and the functions of commercial banks will be separate also from an organizational point of view. The main function of the Hungarian National Bank will be to carry out the functions of an issuing bank and, in addition, it will also carry out tasks related to a foreign exchange bank, but the supply of credit to economic units and their financial affairs will be carried out in the future by commercial banks and other financial institutions.

To further develop and modernize the system of establishing land value, the Presidential Council has modified Law No 16 of 1980. The new regulation stipulates the gradual introduction of a system establishing land value based on soil mapping and which considers the effects of natural factors that greatly influence field and forest production.

The body also modified Law No 4 of 1972 on the work of the courts; accordingly, in the future, it will be possible for retired judges to be employed in the same job.

The Presidential Council decided to transfer the headquarters of the Komarom County Attorney General's Office from Esztergom to Tatabanya.

Then, the body released Supreme Court People's Judges and professional judges from the post and elected judges, decided matters of clemency, and discussed other topical issues.

TRADE UNION COUNCIL HOLDS SESSION 25 NOV

AU011529 [Editorial Report] Budapest NEPSZAVA in Hungarian on 26 November pages 1-5 carries a 7,000-word report on the meeting of the Trade Union National Council [SZOT] held on 25 November and headlined: "The National Council of Trade Unions Held a Meeting." The report, signed by a number of correspondents, opens as follows:

"The SZOT held a meeting at its headquarters on 25 November presided over by Chairman Sandor Gaspar. Laszlo Marothy, member of the MSZMP Politburo and deputy chairman of the Council of Ministers, also participated and took the floor.

"The SZOT approved the following agenda:

"1. Report on the MSZMP Central Committee Session of 19-20 November 1986 and the related tasks of the trade union movement, presented by Tibor Baranyai, SZOT general secretary, and Sandor Nagy, SZOT secretary,

"2. Report on the Ninth World Trade Union Congress and the activity of the participating Hungarian delegation, presented by SZOT Chairman Sandor Gaspar."

NEPSZAVA proceeds to report on the addresses made by the above-mentioned officials as well as by other officials and deputies during the debate.

The first address reported is that of SZOT General Secretary Tibor Baranyai, who is quoted as saying that "the trade union movement has a fundamental interest in implementing the guidelines and concepts formulated in the MSZMP Central Committee decision on economic activity because they reflect the opinions and intentions of the organized workers," and praises the open discussion of negative tendencies in the economic activity of the past 2 years. Baranyai then deals with the objective and subjective factors "that had a negative influence on our economic activity" and mentions the "disturbances" that emerged in the relations between incentives, wages, and performance, and the "lack of the necessary unity in implementing our most important goals." As to the tasks facing the trade union, Baranyai is quoted as stressing the importance of the acceleration of the technological progress, organizational action unity in dealing with inefficient production, the responsibility of the trade union in providing adequate jobs for the manpower released as a result of regrouping and renegotiation the strengthening of interest representation, and the need to improve management within the trade unions too.

The next address reported is that of Secretary Sandor Nagy, who deals with the trade unions' positions concerning the main stipulations of the 1987 economic plan and who calls for harmony between performance and income, a concrete action program from the various working places, and an increase in the role of the socialist brigades in achieving economic results.

MSZMP Politburo Member Laszlo Marothy's address in the course of the debates is then reported, an address in which he praises the fact that "the speakers did not simply repeat and explain the decision of the MSZMP Central Committee session of 19-20 November but also responsibly summed up the trade unions' tasks in implementing these decisions."

Shorter reports on the following speakers follow: Marta Bodo, trade union committee secretary at the Szeged Taurus factory; Jeno Fock, chairman of the Federation of Technical and Scientific Associations: Mrs Istvan Szollosi, trade union committee secretary in Kaposvar's Pedagogical Workers Trade Union; and Gyorgy Sas, deputy director of the Theoretical Research Institute of the Trade Union.

NEPSZAVA continues with a report on the oral supplement to the written report submitted by SZOT Chairman Sandor Gaspar, which is item 2 on the agenda, namely a report on the work of the recently held World Trade Union Congress and the positions of the Hungarian trade unions in the issues discussed at the congress.

Finally, NEPSZAVA reports SZOT Chairman Sandor Gaspar's speech summing up the debate on the first point on the agenda and calling for action now that there are decisions and the introduction of new elements aimed at improving the activity of the trade unions.

HUNGARIAN CREDIT BANK ESTABLISHED IN BUDAPEST

LD120008 Budapest MTI in English 2035 GMT 11 Dec 86

[Text] Budapest, December 11 (MTI) -- The Hungarian Credit Bank Ltd has been established in Budapest with an equity of 9,000 million forints.

The bank will provide full-scale commercial and banking services for over 2,800 companies and cooperatives. The new bank, the successor to the Industrial Credit Department of the National Bank of Hungary, has five offices in Budapest and 23 in the countryside.

The main shareholder, the Hungarian state holds 6,900 million forints worth of shares. The rest of shares have been subscribed by companies and cooperatives.

The bank will mainly finance industrial ventures, but it is also authorized to grant credits in all sectors.

Havasi Addresses First Meeting

LD120009 Budapest Domestic Service in Hungarian 2100 GMT 11 Dec 86

[Excerpt] The Hungarian Credit Bank joint stock company has been formed. At the founding general meeting, Ferenc Havasi, Politburo member and secretary of the Central Committee, said in his speech that the adaptation of the bank system is part of the process aiming at the renewal of the economy. The new bank is basically made up of industrial interests, but of 2,800 clients, every branch is represented. [passage omitted]

JARUZELSKI OPENS THIRD PZPR PLENUM 16 DEC

LD161145 Warsaw PAP in English 1106 GMT 16 Dec 86

[Text] Warsaw, Dec. 16 -- The third plenary meeting of the PUWP CC has begun here today. Opening the debate, the PUWP CC First Secretary Wojciech Jaruzelski stressed the special significance of the present plenum whose aim is to determine ways of stepping up qualitative changes in Poland's economy in keeping with the resolutions of the 10th PUWP Congress. Next, the Central Committee approved the agenda of the two-day debates and elected a commission for resolutions and motion of the 3d plenum.

As envisaged by the 1st item on the meeting's agenda, a report of the PUWP CC Political Bureau on the "acceleration of qualitative changes in economic management as an implementation of the resolution of the 10th PUWP Congress and a condition of the solution of national development problems," was presented by Member of the Political Bureau, secretary of the PUWP CC Marian Wozniak.

Next, participants in the meeting were addressed by Alternate Member of the PUWP CC Political Bureau, Secretary of the PUWP CC Zbigniew Michalek who spoke about questions of further progress and greater effectiveness in food economy. He emphasized that there would be no progress in agriculture without a dynamic industry, without healthy economics and without society's concern for problems of the countryside.

Later in the debate, Vice-Premier Zbigniew Szalajda presented the directions of government activities in the implementation of eocnomic goals outlined in the resolution of the 10th PUWP Congress.

Plenum Proceedings Reported

LD170007 Warsaw PAP in English 1931 GMT 16 Dec 86

[Text] Warsaw, Dec 16 -- The third plenary meeting of the PUWP CC opened here today to discuss, over two days, the "acceleration of qualitative changes in economic management -- implementation of tenth congress resolution -- condition of solving national developmental problems." [as received]

Opening the meeting, party leader Wojciech Jaruzelski noted that the debate was attended by representatives of industrial plants, including workers, party activists, trade union and self-management activists, and managers.

The plenum is also attended by scientific and research institutions staff, as well as ministers and heads of central offices of the administration, Jaruzelski said, noting that this should help air opinions representative of different viewpoints and milieux.

This plenum is of special importance and will seek to determine the ways and provide necessary impulses for effective implementation of a programme of qualitative change in the economy, in accordance with the 10th congress resolution, Jaruzelski went on.

We are mindful of the complexity of objective conditions in which we must implement the tasks of stepped up development of the country.

At the same time, we are convinced of the existence of vast reserves and possibilities which we should release by determined pursuit of the economic reform in its fresh, higher phase. Basing on this, the task of this plenum should be to specify the strategy for implementation of the aims laid down by the tenth congress, to define the essence of the second stage of the reform.

To deepen the tasks put before the review of organizational structures, to achieve social approval for raising the efficacy of economic mechanisms and strict observance of the principles of socialist social justice, to mobilize the entire party, all its members, organizations, authorities for perseverent efforts in favour of making a qualitative breakthrough in management. [as received]

Our debates, Wojciech Jaruzelski went on, were preceded by a broad discussion within the party and society on the hitherto functioning and directions of improving the economic reform, the assumptions of the socio-economic development contained in the national socio-economic plan and the central annual plan, on the growth of efficiency of management and accelerating qualitative changes, particularly on reaching economic balance.

This discussion, to which a significant contribution was made by the party's report-electoral campaign, the trade union campaign and the OPZZ congress, as well as consultations with scientists and experts, especially in economy and technology, and with social organisations and self management bodies, and, last but not least, in the course of first information-consultative meetings held by members of central party authorities, brought a rich crop of reflections, evaluations, proposals, and conclusions.

That crop was amply used in preparing materials for today's debates, Jaruzelski went on to say. The political bureau voices the hope that this output will be also reflected in the plenary discussion and a resolution we will adopt at our plenum.

Participants in the debates received the following reports:

-- The draft central plan of the implementation of the 10th PUWP Congress resolution.
-- Draft guidelines of the main report for the 3rd PUWP plenum.
-- Draft national socio-economic plan for the years 1986-90.
-- The Council of Ministers' resolution on the 1987 Central Annual Plan.
-- Draft general plan of the Central Committee's work in the years 1986-91.
-- Report on work of the Political Bureau and the CC Secretariat between the 10th PUWP Congress and Dec 1, this year.
-- Draft composition of CC subject committees.

As it was announced at the 2nd PUWP plenum, also delivered was a report -- elaborated by the CC Political-organizational department -- on the contents and ways of realization of motions submitted to the 10th congress. Another report in this respect will be submitted at the nationwide conference of PUWP delegates.

JARUZELSKI SENDS MESSAGE TO SFRY'S RENOVICA

AU020532 Warsaw TRYBUNA LUDU in Polish 29-30 Nov 86 pp 1, 6

[Greetings message from PZPR First Secretary W. Jaruzelski to LCY Presidium Chairman M. Renovica -- date not given]

[Text] To Comrade Milanko Renovica, chairman of the LCY Central Committee Presidium, in Belgrade:

Esteemed Comrade Renovica, on the occasion of SFRY national day, on behalf of the PZPR Central Committee and on my own behalf, I send cordial greetings and best wishes for the comprehensive development and blossoming of your fatherland to you, the LCY Presidium, and all the Communists and working people.

The Polish Communists and all the Polish people admire the creative efforts of the Yugoslav peoples who, under the leadership of the LCY, continue to realize the lofty aims of socialist development as mapped out by the Eighth LCY Congress.

I am deeply convinced that the traditional friendship and cooperation between our parties, countries, and peoples will continue to gain strength for the benefit of Poland, Yugoslavia, progress, peace, and socialism.

Signed: Wojciech Jaruzelski, first secretary of the PZPR Central Committee.

JARUZELSKI SENDS MESSAGE TO SFRY'S HASANI

AU020531 Warsaw TRYBUNA LUDU in Polish 29-30 Nov 86 p 6

[Greetings message from PZPR First Secretary W. Jaruzelski to SFRY Chairman S. Hasani -- date not given]

[Text] To Comrade Sinan Hasani, chairman of the SFRY presidency, in Belgrade:

Esteemed comrade chairman, on the 43d anniversary of the Second Session of AVNOJ, on behalf of the Polish people, the PPR State Council, and on my own behalf I send to the fraternal Yugoslav peoples, the SFRY Presidium, and to you personally, esteemed Comrade Hasani, cordial greetings and best wishes for further successes in socialist construction and in strengthening Yugoslavia's role in the international arena.

I would also like to express my conviction that the relations of traditional friendship and comprehensive cooperation between the PPR and the SFRY will continue to intensify and develop for the benefit of our two nations and countries as well as the cause of socialism and peace.

Signed: Wojciech Jaruzelski, chairman of the PPR State Council.

JARUZELSKI GREETINGS CABLE TO ALBANIA'S ALIA

AU020530 Warsaw TRYBUNA LUDU in Polish 29-30 Nov 86 p 1

[Greetings message from State Council Chairman W. Jaruzelski to Albanian Presidium Chairman R. Alia -- date not given]

[Text] To Comrade Ramiz Alia, chairman of the Presidium of the People's Assembly of the People's Socialist Republic of Albania, in Tirana:

On your national day, the 42d anniversary of Albania's liberation and the victory of the people's revolution, I send to you and the friendly Albanian people our best greetings and wishes for new successes in realizing the ambitious program of socialist construction.

I am convinced that the relations between the PPR and the People's Socialist Republic of Albania will continue to gain strength and develop for the benefit of our two peoples.

Signed: Wojciech Jaruzelski, chairman of the PPR State Council.

FOREIGN MINISTER ARRIVES IN BRUSSELS FOR TALKS

LD162219 WARSAW Domestic Service in Polish 2200 GMT 16 Dec 86

[Text] Polish Foreign Minister Marian Orzechowski arrived in Brussels tonight. Tomorrow he will have talks with Prime Minister Wilfried Martens and Foreign Minister Leo Tindemans.

GDR SIGNS TRADE PROTOCOL ON GOODS, SERVICES

LD170959 Warsaw PAP in English 0834 GMT 17 Dec 86

[Text] Warsaw, Dec. 17 -- Polish Vice-Minister of Foreign Trade Helmut Floeth and his GDR counterpart Dietrich lemke signed a trade protocol here yesterday which covers mutual supplies of goods and services. The protocol says that next year's turnover between the two countries will grow by over 4.5 per cent in relation to the figures envisaged by the long-term agreement. Like in the previous years, the turnover will be marked by a trading surplus in GDR's favour.

Deliveries of machines and equipment make up over two-thirds of the Polish-GDR turnover. The GDR will be mainly importing Polish machine tools, transport equipment, road-building and earth-moving machines, and medical equipment. The Polish offer includes equipment for power stations and steel mills, heavy-duty trucks and construction-assembly services.

GOVERNMENT PRESIDIUM CONSIDERS FOREIGN TRADE

LD082329 Warsaw Domestic Service in Polish 2200 GMT 8 Dec 86

[Text] The Government Presidium has concerned itself with foreign trade. The further conduct of policy in the sphere of the exchange rate and the expansion of the scope for implementing transaction prices in settling accounts in foreign trade was viewed. The Government Presidium approved a resolution concerning specific principles for the creation and use of hard currency allowances from hard currency returns and settlements in the second currency zone. The rates of hard currency allowances to date will be lowered by one-fifth from 1 January next year.

The Government Presidium also aquainted itself with information concerning the fulfillment of programs upgrading the Krakow historic relics teams. It was emphasized that this will demand the introduction, quite apart from the realization of protection and modernization investments, of necessary changes in the structure of Krakow industry, power engineering and communications. The Government Presidium also aquainted itself with information concerning the long-term program of renovating and shaping the environment in Katowice Voivodship and approved the appropriate decisions in this matter. [Krakow, a city where the very old mixes with the very new, has experienced some controversy in reconciling the two: Industrial pollutants have caused damage to old relics and sites. The upgrading of historical relics teams is therefore dependent on implementing changes in the structure of Krakow industry.

FATHER ORSZULIK RESPONDS TO URBAN CHARGES

AU111051 Krakow TYGODNIK POWSZECHNY in Polish No 48, 30 Nov 86 p 8

[Father Alojzy Orszulik statement: "Answering the Government Press Spokesman"]

[Excerpts] On 12 November RZECZPOSPOLITA, No 264, published Minister Jerzy Urban's reply to the DPA correspondent's question during the 11 November press conference on why the Krakow and Katowice censors had banned my TYGODNIK POWSZECHNY article on the lay Catholics' right to associate, what were the reasons for this ban, and what is the government's stand vis-a-vis demands that lay Catholics should be allowed to associate.

Confirming the ban imposed by the Krakow and Katowice censors, Minister Jerzy Urban declared that my article had asserted that "the authorities refuse to allow the Catholics to engage in organized social activities and that this refusal is in defiance of the Constitution." That is why my article published false information and imputed false intentions and deeds to the state institutions. [passage omitted]

My contention is that the lay believers, who belong to various occupational and social groups have the same duties and rights as other citizens of the state of Poland and, consequently, have the right to set up associations and unions professing religious aims as well as aims concerning occupational, social, and public activities. They are entitled to do so in line with their world outlooks, while observing the order of the ecclesiastical law and of our state's Constitution. This is also the situation in other democratic countries.

The existence of pluralism of world outlooks is now a fact. In our country's postwar history the PZPR first secretaries often made official statements about believers and nonbelievers, which was tantamount to dividing our society into such groups. It is enough to cite Wladyslaw Gomulka: "Believers and nonbelievers, the Catholic Church and socialism, and the people's government and the church hierarchy will exist side by side for along time to come. There is no doubt about that." (From his report to the Ninth PZPR Plenum on 15 May 1957.)

It is also a historical fact that during the so-called Stalinist period, which is otherwise called a period of errors and distortions, the prewar Catholic associations, which resumed their activities when World War II was over, were forced to disappear. In its memorandum addressed on 11 February 1952 to President Boleslaw Bierut as the chairman of the Constitution Council, the Polish Episcopate postulated that the citizens professing Catholic views "have the right to freely associate not merely for political, party, and economic purposes, but, on an equal footing, for political, social, educational, and creedal purposes as well, regardless of political and religious convictions."

At precisely that time the Catholic and religious associations were disbanded. The five clubs of the Catholic intelligentsia in Warsaw, Krakow, Wroclaw, Poznan, and Torun were reinstated only as a result of the changes in October 1986, and the remaining clubs are a result of the 1980 events.

I fail to comprehend why Minister Urban defends the decisions made by the authorities during the period of errors and distortions and why he seems to assert that the authorities have been infallible and sympathetic to Catholic association in every period.

Minister Urban's reply applies not only to Father Orszulik, although my article was not a pastoral letter issued by the Episcopate. The truth is that Minister Urban's reply applies to all the Catholic Church in Poland. His reply amounts to a warning and a ban as demonstrated by the following sentence: "The government is unable to agree to a program that would provide for the Church's entry into every sphere of social and political life and for the Church's right to create within them its own organizations subordinated to the Church authorities and to divide people in accordance with their world outlooks."

At the end of his reply Minister Urban asked: "Do we have to assign trade unionists, plot cultivators, lovers of individual regions, and members of cultural organizations to separate ghettos of world outlooks?"

This question can be answered by a counter question: "Are all unions, associations, and the people who want to set up associations to be placed in a single bag presided over by a single operation?"

GWIAZDA CHAIRS FOREIGN ECONOMIC COMMITTEE

LD122053 Warsaw PAP in English 1540 GMT 12 Dec 86

[Text] Warsaw, Dec 12 -- The Presidium of the Committee for Foreign Economic Relations at the Council of Ministers today reviewed a report on the works of the 2nd economic mission of the World Bank to Poland, delivered by the president of the Narodowy Bank Polkski Bank [Polish National Bank].

The World Bank mission visited Poland at the turn of October. Its members conducted talsk with representatives of Polish economic life and held meetings at production plants. The presidium recommended that the work on the conclusions stemming from these contacts be continued.

It also discussed drafts of those plant and equipment plans in Poland which could be financed in the nearest term with the use of the World Bank's funds. A preliminary list of these plans was presented by the government planning commission.

The session, presided over by Vice Premier Wladyslaw Gwiazda, was attended by Vice Premier Josef Koziol.

TRYBUNA LUDU CALL SOLIDARITY BLIND, EXTREME

LD091237 Warsaw Domestic Service in Polish 0730 GMT 9 Dec 86

[Text] In today's TRYBUNA LUDU listeners will find an interview with Wladyslaw Bienkowski which was published by the paris KULTURA. Here is an excerpt from Wladyslaw Bienkowski's remarks.

If Solidarity had triumphed and taken over government in Poland, it would not have been able to persuade this anarchic society to follow any path whatsoever except through dictatorial force. After all, said Bienkowski, the sympathizers and friends of Solidarity were completely blind. They had no understanding of what was happening in this country. Chaos and anarchy, after all, reached a peak. This situation improved after the introduction of martial law.

Other opinions of Bienkowski are also interesting as regards the former Solidarity. He said its defeat was caused not by martial law but by the anarchic activity of this union a few months before 13 December. Citing excerpts of Wladyslaw Bienkowski's remarks, TRYBUNA LUDU writes that a good deal of acrimony with regard to the Polish authorities and negative assessments of some phenomena apparent in Poland were to be found within them. It may be recognized, the newspaper emhasizes, that it was not a sudden wave of sympathy for the leading forces in today's Poland which dictated to the author of the interview the harshness of assessments of the former Solidarity's activity. It can probably be established that Wladyslaw Bienkowski's visual sense [zmysl obserwacyjny] took precedence over any current sympathies and political animosities.

The question remains: Why precisely did the Paris KULTURA, a publication so very deserving in the field of destructive activity with regard to the Polish state, decide to publish this interview, asks TRYBUNA LUDU. The answer is simple, the paper emphasizes. The disposers of funds assigned for propaganda aggression do not just spend money but also count it, and from time to time ask themselves the question whether or not to continue to back a losing horse, that is, the extremist activists of the former Solidarity.

MILITARY EDUCATION COUNCIL DISCUSSES TASKS

AU291003 Warsaw ZOLNIERZ WOLNOSCI in Polish 18 Nov 86 pp 1, 5

[Colonel Waldemar Makowiecki report: "Meeting Contemporary Demands in Cadre Education"]

[Text] The most recent meeting of the Council for Military Higher Education was held in Warsaw on 17 November under the chairmanship of Army General Florian Siwicki, PZPR Politburo member and minister of national defense.

The meeting focused on military higher education tasks in light of the resolutions passed by the 10th PZPR Congress and the 24th Central Committee Plenum; an evaluation of a military higher school draft model statute; and the current position on foreign language instruction.

The meeting was attended by vice ministers of national defense; heads of Ministry of National Defense central institutions; commandants of military academies, higher officers schools, and military scientific research institutes; and commanders of branches of the Armed Forces.

It was underscored that discussion and thought on the situation in military higher education and the directions of its development were in line with the resolutions passed by the 24th PZPR Central Committee plenum and the 10th PZPR Congress. The activity engaged in hitherto has produced many significant results in the fields of curriculum development and implementation and has already influenced the future shape of military education. Activity should be even more effective in training ideologically committed officers; highly qualified specialists; and ambitious, creative people who have broad horizons and have an awakened eagerness to be innovative.

A report was prepared by the Main Political Administration of the Polish Armed Forces entitled "Higher Military Education Tasks in Light of the 10th PZPR Congress and 24th Central Committee Plenum Resolutions." The measures that are being taken are intended to raise the efficiency and effectiveness of education and training and improve standards in all areas of activity engaged in by military schools and scientific research centers by way of rationalizing thought and action and better organization and management of time and resources. [paragraph continues]

These measures are also designed to establish closer ties between schools and units and better prepare graduates in specialist fields, general military training, and ideological and educational skills for work in military units. The measures should also modernize teaching and training processes in line with actual possibilities and needs so that they are appropriate to contemporary demands.

The discussion also dealt with improving the process whereby higher officer school cadres obtain doctorates and doctor habilitatus status, and with improving the operation of unit and headquarter exchange schemes. It was stressed that cadre activity in military academies and higher officers schools assures military instructors a sense of stabilization in schools.

The draft higher military school statute was discussed next. This document was produced in connection with the intended introduction of an amendment to the law on higher military schools and it fully reflects the present character of such schools and deals with their problems and matters concerning their organization that have to be resolved at this stage in their development. It provides a model that can be used in drawing up the statutes of individual schools.

The evaluation of foreign language instruction in the military education system was based on information about current programs; the organizational and practical aspects of the teaching process; and an analysis of results and of activities designed to raise the effectiveness of foreign language instruction in military schools.

The council also considered a report on the implementation of recommendations made by the council chairman, the minister of national defense. These recommendations were contained in the protocols of previous plenary sessions.

During the session, the minister of national defense informed those present about a new appointment to the post of chief of the Military Education Administration. In view of Brigade General Stanislaw Zaka's appointment to another post, the duties of chief of the administration have been assumed by Colonel Ryszard Muszynski. Army Gen F. Siwicki conveyed sincere thanks to Gen Zakow for his many years of productive service in the post and his contribution to the development of the military education system.

FUEL OIL SPILLAGE INTO ODRA RIVER 'UNDER CONTROL'

LD122126 Warsaw PAP in English 1954 GMT 12 Dec 86

[Text] Warsaw, Dec 12 -- The situation on the Odra River has been put under control. The fuel oil spillage, that had entered the river from cisterns of a boiler-room at a Bohumin hospital, was blocked before the town of Raciborz.

About 20 dams were set up at the Odra's 25th-28th kilometre section. Their number changes to meet the needs and to cope with the current situation. Till today, 30 tonnes of fuel oil have been collected and twice as many are estimated to have spilt into the Odra.

A team of the Szczecin-based ship-service company also works on the site of the spillage. It will set up another four big dams on the river. About 850 people are now taking part in decontaminating the river.

EGYPTIAN PRESIDENT CONTINUES OFFICIAL VISIT

Ceausescu Toasts Mubarak

AU162112 Bucharest SCINTEIA in Romanian 14 Dec 86 pp 1,3

[Toast proposed by President Nicolae Ceausescu at a dinner in honor of Muhammad Husni Mubarak, president of the Arab Republic of Egypt, in Bucharest's Palace of the State Council on 13 December]

[Text] Esteemed friend President Husni Mubarak, Esteemed friends and comrades: On this occasion, too, I would like to extend to you cordial greetings and welcome you and the other Egyptian friends. I consider your visit as an expression of the good relations existing between our countries. We believe that during a lengthy period the summit meetings -- as well as other meetings -- have played an important role in developing cooperation in the socioeconomic and scientific and technological fields, and also in the international arena. Therefore, I believe that your current visit and the talks we have started today will lead to the continuous development of the economic cooperation as well as the cooperation in the international field between Romania and Egypt.

In the current international situation a very serious tension continues to be manifested. There are many complex problems -- economic, military, and political. This year, too, the arms race has continued and new problems, which worsened the international situation, have emerged.

In these circumstances, Romania believes that the fundamental problem of our times is to halt the arms race and achieve disarmament, primarily nuclear disarmament, and ensure a lasting peace on our planet. The peoples expected some agreements in this field to be reached this year. Unfortunately, these expectations did not receive an appropriate response from the countries that possess nuclear weapons.

The Iceland meeting between the Soviet and American leaders concluded without results. It is true that a broad circle of issues was discussed and some very close points of view were reached on some issues. As was declared, the major obstacle in the path of an understanding was the position of the United States with regard to "Star Wars."

Romania believes that efforts should be made -- starting with the conclusions of the Iceland meeting -- in order to proceed to finding solutions to the problems of disarmament, primarily nuclear disarmament. We believe that an agreement can be reached in a short time on the issue of medium-range nuclear missiles in Europe. The elimination of medium-range nuclear missiles from Europe would have great significance for the policy of disarmament as a whole.

Romania also speaks out most resolutely for a passage to the reduction of conventional weapons. We believe that reducing conventional weapons is part and parcel of nuclear disarmament and of the policy of peace and cooperation. Starting from this, Romania has already decided and actually proceeded to a 5-percent reduction of arms, troops, and military expenditures, as of this year. We proceeded and proceed from the fact that steps should be made from talks to real actions in the direction of disarmament.

Likewise, we take into consideration that the huge military expenditures play a very important role in continuously worsening the international economic situation. Reducing military expenditures will make possible the allocation of important means toward concentrating scientific and technological power on socioeconomic development and on raising people's standard of living.

We most resolutely speak out for the establishment of a nuclear- and chemical weapons-free zone in the Balkans.

Romania has taken and continues to take actions toward solving all conflicts in various parts of the world solely through negotiations. In this context, we speak out for a political solution to the Middle East Problems to be found within an international conference. We believe that the organization of a preparatory committee, with the participation of the Palestine Liberation Organization and Israel, would have great importance.

We also speak out for finding a solution solely through negotiations to the Iran-Iraq conflict and to other conflicts in various parts of the world.

Interstate relations should be firmly based on the principles of equality, respect for independence and sovereignty, and noninterference in domestic affairs.

We grant our full support to the South West African People's Organization in the struggle for Namibia's independence and we firmly condemn South Africa's apartheid policy.

Romania believes that everything possible should be done to solve the problems of underdevelopment and that a new international economic order should be established.

Taking into account the complex character of the problems, we speak out for the participation of all countries, regardless of their size or social system, in finding solutions to problems. In this respect, we attach great significance to the participation of small and medium-sized countries and of nonaligned and developing countries in international life and in finding solutions to problems.

We also believe that the United Nations and other international bodies should play a more active role in solving international problems.

I would like to express my satisfaction with the close cooperation between Romania and Egypt within various international bodies and also with the fact that our countries have identical or very close positions in the fundamental problems of international life. Taking into consideration this fact, I believe that there is a possibility to increase our cooperation in solving problems that occur in various parts of the world, including the Middle East, and in solving the problems of underdevelopment as well as other problems.

I would like once again to express my satisfaction and the satisfaction of our state leadership and of our people with the good relations between Romania and Egypt and with your new visit and the talks we are holding.

I am convinced that the understandings we will reach will open up new possibilities for expanding cooperation between our people in the economic, scientific, technological, and the other fields. This is fully in accord with the interests of the two countries and the general cause of cooperation and peace throughout the world.

I would like to raise a toast to the continuous development of Romanian-Egyptian friendship and cooperation.

To the health of my friend, President Mubarak! To the health of all of you! (loud applause)

Mubarak Speaks At Banquet

NC132105 Cairo MENA in Arabic 2015 GMT 13 Dec 86

[Text] Bucharest, 13 Dec (MENA) -- President Muhammad Husni Mubarak spoke tonight at a banquet held in his honor by Romanian President Nicolae Ceausescu. Here is the text of the speech:

My dear friend Nicolae Ceausescu, dear friends:

We meet once again in your friendly country to continue our joint efforts on the road to peace and cooperation in order to achieve common interests and establish the concept of international cooperation.

We are very proud of the strong relationship that binds us to friendly Romania. We are satisfied with the positive results achieved in past years in bilateral relations, Middle East peace efforts, and strengthened cooperation with all peace-loving countries and forces that believe in solidarity among various countries and peoples to achieve economic and social development and eliminate the causes of tension and instability.

Within this framework we have always welcomed Romania's active role, under the leadership of President Nicolae Ceausescu, who is known for his clear concept of and desire for peace, and his sincere contribution to settling international conflicts. We agree with President Ceausescu about the need for doubling efforts exerted for nuclear disarmament, halting the arms race, and reducing the dangers of an all-out nuclear war. Such a war would destroy human civilization everywhere and squander the gains we have achieved throughout a long struggle, during which our people have made many sacrifices and suffered greatly.

And, dear friend, we appreciate your country's stand on Middle East problems -- foremost of which is erecting a strong basis for peace and justice -- the Iraqi-Iranian war, and the deteriorating situation in Lebanon. Romania has contributed much and is still contributing to the establishment of an acceptable basis for a comprehensive and just settlement in the Middle East and to stressing the principle of peace between Israel and concerned Arab parties.

We admire your efforts in the field of development and the tangible progress your country has made in the agricultural and industrial fields, raising the level of services. We are confident that you will continue moving in that direction and achieve more. We also intend to continue intensifying cooperation between our two countries politically and economically. Undoubtedly, the talks we started today will give new impetus to cooperation between our peoples and to opening new horizons for this cooperation and contacts at all levels.

While thanking you for this lavish reception, I ask you to stand up in acknowledgement of President Ceausescu, of the Romanian people, and of the good relations between our countries. Peace be with you.

Ceausescu, Mubarak Begin Talks

AU141501 Bucharest AGERPRES in English 2125 GMT 13 Dec 86

[Text] Bucharest AGERPRES, 13/12/1986 -- Official talks started on Saturday in the evening, between Nicolae Ceausescu, president of the Socialist Republic of Romania, and Muhammad Husni Mubarak, president of the Arab Republic of Egypt.

Participating in the talks are:

For Romania: Gheorghe Oprea, first deputy prime minister; Stefan Birlea, chairman of the State Planning Committee; Ioan Totu, minister of foreign affairs; Ilie Vaduva, minister of foreign trade and international economic cooperation; Constantin Mitea and Nicolae Mihalache, advisers to the president of the Socialist Republic of Romania; Traian Pop, deputy minister of foreign affairs.

For Egypt: Ahmad 'Ismat 'Abd al-Majid, deputy prime minister and minister of foreign affairs; Yusri 'Ali Mustafa, minister of economy and foreign trade; Atif Muhammad 'Ubayd, minister of cabinet affairs, and minister of state for administrative development; Usamah al-Baz, first deputy minister of foreign affairs and director of the cabinet to the president for political affairs; Mahmud Sa'id al-Sayyid, Egypt's ambassador to Romania; Dr. Mamduh al Biltaji, chairman of the State Intelligence Service; Dr. Mustafa al-Faggi, secretary for information to the president.

President Nicolae Ceausescu warmly welcomed the new Romanian visit by the president of the Arab Republic of Egypt, emphasizing that it was an expression of the lasting character of the friendly relations established between the two countries and peoples.

At the same time, the Romanian head of state expressed the confidence that the understandings to be reached during the current talks would strengthen still more the collaboration between Romania and Egypt, both bilaterally and in international life, in keeping with the two peoples' will and aspirations after peace and progress.

President Muhammad Husni Mubarak thanked for the warm, friendly reception, for the hospitality enjoyed by him in Romania, stressing that he saw it as a telling proof of the esteem and regard the Egyptian and Romanian people nurture for each other. Likewise, the distinguished guest expressed in turn the joy of meeting President Nicolae Ceausescu again and exchanging views together on the evolution and prospects of the bilateral relations and on questions of the current international situation.

During the talks the two presidents showed with satisfaction that the relations of collaboration between Romania and Egypt in the political, economic, technical-scientific and other domains of mutual concern saw steady development, in accordance with the understandings reached during the summit interviews. In consideration of the results scored so far, it was assessed that favourable conditions existed for the growth and amplification of those ties in all fields of activity, more particularly in the economic one.

The belief was reiterated that the further expansion and deepening of bilateral links contributed to strengthening friendship between the Romanian and Egyptian peoples, to promoting the general cause of peace, understanding, national independence, collaboration and progress throughout the world.

Presidents Nicolae Ceausescu and Muhammad Husni Mubarak decided that the two delegations jointly analyze the visit concrete ways and means of developing economic and technical-scientific collaboration between Romania and Egypt, in keeping with the orientations and understandings set at top level.

President Nicolae Ceausescu and President Muhammad Husni Mubarak also exchanged views on current international issues.

The talks passed in a friendly atmosphere of mutual understanding and esteem.

Ministers Discuss Cooperation

NC132128 Cairo MENA in Arabic 2100 GMT 13 Dec 86

[Text] Bucharest, 13 Dec (MENA) -- Dr 'Ismat 'Abd al-Majid, deputy prime minister and foreign minister, has held talks here with Ioan Totu, Romanian deputy prime minister and foreign affairs minister.

Following the meeting, Dr 'Abd al-Majid told a MENA correspondent in Bucharest that the officials had noted their good bilateral relations and exchanged views on important international questions. He stressed that the two countries' views on issues discussed were identical.

Economic Minister Dr Yusri Mustafa held a similar meeting with Ilie Vaduva, Romania's minister of foreign trade and international economic cooperation.

Following the meeting, Dr Mustafa said that he had discussed with the Romanian minister various aspects of economic cooperation and a long-term, 5-year draft agreement to regulate barter trade to reach a level of $150 million in 1987 and increase by 10 percent a year after that.

The bilateral talks are scheduled to resume tomorrow morning.

Final Talks Held

NC141152 Cairo MENA in Arabic 1050 GMT 14 Dec 86

[Text] Bucharest, 14 Dec (MENA) -- The final round of Egyptian-Romanian talks ended this morning with a 2-hour meeting between President Husni Mubarak and Romanian President Nicolae Ceausescu in the State Council Palace of Bucharest. The meeting was also attended by Dr Mustafa Al Fiqi, the president's secretary for information. The talks focused on an exchange of views with regard to the current international situation, particularly the intensive efforts which Egypt is exerting to convene an international conference on the Middle East crisis. An atmosphere of frankness and friendship, which characterize Egyptian-Romanian relations, prevailed during the talks. Identical views were expressed on the issues discussed.

Dr 'Ismat 'Abd al-Majid, deputy prime minister and foreign minister held a final round of talks with his Romanian counterpart, Minister Ioan Totu. The session was also attended by Dr Usamah al-Baz, first under secretary at the Foreign Ministry; and Dr Mamduh al-Biltaji, chairman of the Public Information Authority. The talks dealt with the efforts being exerted by Egypt and Romania to achieve a just and permanent peace in the Middle East. They also discussed ways to promote bilateral relations.

Both sides expressed satisfaction with the positive development in their ties of friendship. They voiced their desire to further strengthen economic cooperation.

Dr Yusri Mustafa, minister of the economy and foreign trade, and Dr 'Atif 'Ubayd, minister of cabinet affairs and minister of state for administrative development, held a meeting with (Dayliya Modina), the Romanian minister of economy and foreign trade, and Stefan Birlea, chairman of the State Committee for Planning. During their meeting, they reviewed the existing bilateral economic and trade relations and discussed the prospects for expanding them in the future. They also agreed to continue studying the list of commodities to be included in the balanced trade agreement for 1999 [as received]. A joint statement will be released on the Egyptian-Romanian talks later today.

Joint Communique Issued

NC141704 Cairo MENA in Arabic 1600 GMT 14 Dec 86

[Text] Bucharest, 14 Dec (MENA) -- President Husni Mubarak and Romanian President Nicolae Ceausescu have reiterated that just and lasting peace in the Middle East must be based on Israel's withdrawal from all Arab territories occupied during the 1967 war.

In a joint communique issued this afternoon, after the conclusion of their talks in Bucharest earlier today, the two presidents emphasized the need to recognize the Palestinian people's legitimate right to self-determination and the establishment of a state, as well as the need to safeguard the existence and independence of all states in the region.

Presidents Mubarak and Ceausescu point out that a comprehensive solution to the Middle East issue lies in the convocation of an international conference under the auspices of the United Nations, with the participation of all parties concerned, including the PLO. In this respect, they stress the need to form a preparatory committee for this meeting.

Touching on the situation in Lebanon, the two presidents call for ending all foreign intervention in internal Lebanese affairs and for efforts to achieve national unity among the various political powers of that country, safeguarding the unity, independence, and freedom of the Lebanese people.

Regarding the Gulf war, Presidents Mubarak and Ceausescu urge an immediate halt to military operations between Iraq and Iran to spare the blood of innocent people and prevent further material losses. The two presidents appeal to the warring parties to negotiate to settle their disputes on the basis of complete equality and mutual respect.

The two presidents renew their countries' support for the Namibian people's struggle for independence, under SWAPO [South-West African People's Organization]. They also denounce racial discrimination in all its forms and the repressive measures used by South African authorities against the majority people of that country.

The Egyptian and Romanian sides also denounce South Africa's military operations against its independent and sovereign neighboring states.

Regarding terrorism, Presidents Mubarak and Ceausescu emphasize their denunciation of all forms of terrorism.

They note that terrorism cannot be viewed as a form of struggle for freedom and progress, as this would negatively affect the interests of progressive forces and peoples fighting for independence and freedom. They affirmed in this regard that the action of people struggling for national liberation and independence can in no way be considered a form of terrorism.

The joint communique expresses Egypt's and Romania's strong appreciation for the Nonaligned Movement and its positive role in resolving important problems facing the contemporary world and seeking a new democratic policy promoting freedom, independence, and respect for the rights and freedom of all nations to choose their own path to economic development. The two presidents express their readiness to cooperate closely with forces working for detente, disarmament, peace, and the development of friendly relations and cooperation among the countries of the world.

In their joint communique Presidents Mubarak and Ceausescu express their complete satisfaction with their talks, held in an atmosphere of cordiality, friendship, and understanding. They also express belief that agreements which will be reached and the results of these talks can contribute to developing ties of friendship and cooperation between Egypt and Romania, in the interests of the peoples of both countries, as well as peace and progress in the world.

The two presidents are deeply concerned about the growing seriousness and complexity of the current international situation. They also express concern about the growing arms race, particularly in nuclear arms, and the spread of weapons in Europe. The two sides stress the need to act to stop the arms race, especially nuclear arms. They also stress the need to establish the principle of resolving disputes peacefully, through negotiations.

In conclusion, the Egyptian and Romanian sides note the importance of declaring the Balkans a nuclear-free zone. President Mubarak expresses his appreciation for President Nicolae Ceausescu's initiative in cutting military expenditures and armaments in Romania by 50 percent.

Mubarak Departs

AU141520 Bucharest AGERPRES in English 1357 GMT 14 Dec 86

[Text] Bucharest AGERPRES 14/12/1986 -- Sunday, December 14, in the afternoon, President Muhammad Husni Mubarak of the Arab Republic of Egypt ended the good-will visit he paid to Romania upon the invitation of President Nicolae Ceausescu.

The solemnity marking the departure of the distinguished Egyptian guest was held at the Otopeni Airport that displayed the state colours of Romania and Egypt. President Nicolae Ceausescu and President Muhammad Husni Mubarak arrived together at the airport. Prime Minister Constantin Dascalescu, members of the State Council and the government, generals and other officials were present there.

The Egyptian ambassador in Bucharest and embassy members were present. The state anthems of the Arab Republic of Egypt and of the Socialist Republic of Romania were played.

Presidents Nicolae Ceausescu and Muhammad Husni Mubarak reviewed the guard of honor. By the ramp Presidents Nicolae Ceausescu and Muhammad Husni Mubarak warmly shook hands and embraced each other.

DASCALESCU PRESENTS DRAFT PLANS TO GNA SESSION

AU111930 Bucharest AGERPRES in English 1832 GMT 11 Dec 86

["Memorandum Read at the GNA Session by Premier Constantin Dascalescu" -- AGERPRES headline]

[Text] Bucharest AGERPRES 11/12/1986 -- Presenting, on behalf of the government, the drafts of the single national plan of economic and social development of Romania and, respectively, of agriculture, food industry, silviculture and water management development plan for 1987 to the Grand National Assembly, Prime Minister Constantin Dascalescu showed that the two documents had been worked out in concordance with the thirteenth party congress resolutions, with the 1986-1990 five year plan provisions which provide for the by-and-large implementation of the party programme of building the multilaterally developed socialist society and Romania's joining the medium developed countries. He mentioned that in the spirit of the broad democratism characterizing the country's economic and social life the proposals in the draft plan for 1987 were worked out in close cooperation with enterprises, centrals, counties, ministries and central bodies being debated and unanimously endorsed at the CC of the RCP plenary meeting, analysed and endorsed by the Supreme Council of Economic and Social Development, the National Council of Working People, as well as by the People's Councils Legislative Chamber.

The indices of the 1987 single national plan of eocnomic and social development and the measures to be taken by ministries, central departments, and economic units in order to implement the production organization and modernization programmes and apply economic-financial norms will be specified in a decree of the State Council, the speaker said showing that the provisions were set in harmony with the good results scored this year which will conclude with an over seven per cent industrial growth rate, the largest cereal output in the country's history and considerable productivity and national income increase.

In consideration of these achievements, from the powerful productive potential of the national economy, the raporteur went on, the draft plan includes provisions the fulfilment of which ensures - in conditions of material, currency and financial balance - a dynamic material production and national health growth.

A decisive role in the overall development will be played by the qualitative factors of economic growth, the more marked course towards an intensive-type reproduction, the sustained development of all areas of activity being underlain by the scientific research and technical progress application programmes.

In the memorandum he read the Romanian prime minister stressed the fact that the national income outdistances the social product while the net production in all branches increases faster than the overall output which illustrates the dynamism and high efficiency characterizing the development of the Romanian economy. In industry production will grow in conditions of further modernization of the fabrication structures, a fast development rate of the key industries, a markedly higher capitalization of raw materials, fuel and energy, the manufacture of high-technology and high-quality products, competitive on a world plane.

Special attention will be paid to stepping up geological prospecting and exploration works to tap new reserves of useful mineral substances, increasing coal output, lignite and pit coal more particularly, the production of non-ferrous metals.

As for power balance the draft plan stipulates an enhanced contribution of coal, water power and new sources parallelled by the application of the measures for a marked reduction of power and technological consumption.

In the metal industry the envisaged production satisfies home consumption and exports which are bigger from this year and boast higher quality.

In mechanical engineering stress will be laid on redesigning and assimilation of new products with better performance and lower metal, energy and manual labour consumption pride of place being given to the priority growth of electronics, microelectronics, fine mechanics, high performance machine-tools. More complex equipment will be manufactured for the development and capitalization of raw materials, the stepping-up of the nuclear programme and the progress of the aviation industry.

In chemistry and petrochemistry stress will fall on the substantially higher capitalization of raw materials, oil and gas important growth being envisaged with basic macromolecular products, rubber, chemical fibres and yarns, high analysis and small-tonnage products with a high value manufactured in a wide spectrum and boasting higher performance.

Referring to agriculture the speaker said that the provisions of the two aforementioned plans provide -- the next year too -- for an intensive development and modernization of this branch, for the attainment of the targets of the new agrarian revolution with a view to ensuring big, safe and stable crops.

The plan stipulates substantial growths of the cereal, technical plant, field vegetables, potatoes, fruit and grapes productions, of livestock, to improve biological material and efficiency which should ensure bigger productions of meat, milk and other animal products.

As for the food industry the draft plan provides for the full utilization and the highly efficient capitalization of farm raw materials, the diversification of products to a larger extend and the improvement of their quality.

In silviculture, the plan provisions ensure the preservation of the integrity of the forest stock, the limitation of fellings and the increase of the forested areas.

In connection with investments Constantin Dascalescu specified that the funds earmarked are oriented with priority to carrying out the projects that contribute to the development of raw materials and energy sources, to the implementation of agriculture development programmes, the improvement of products' performance and quality, import reduction, higher productivity and competitiveness of the Romanian products on the world market.

The speaker underscored the important role incumbent on scientific research, technological development and application of technical progress.

The provisions on the foreign trade ensure Romania's more active and efficient participation in international trade and economic cooperation, Constantin Dascalescu further said mentioning that the tasks in this field envisage bigger exports and a better marketing of the Romanian commodities, the most efficient administration of the currency funds for imports, the achievement of an active balance of trade, the diminution of the foreign debt, the consolidation of the country's currency reserves.

The 1987 draft plan provides for broader economic cooperation and production specialization with the CMEA member countries, with all socialist countries with a view to better meeting mutual needs for raw materials and basic products, energy, machines and equipment. Moreover, consideration was given to broadening economic ties with developing countries, to promoting economic and technical-scientific cooperation with developed capitalist countries, with all the states of the world no matter their social system.

In full consensus with the demands for making the best of intensive reproduction factors, the next year's plan has in view a more marked growth of efficiency in all branches and areas of activity. It stipulates a marked rise in productivity, a strict saving and higher capitalization of resources, the rational utilization of fixed assets, a higher profitability of all economic activities.

The increase of the national income set for 1987 and its judicious earmarking for accumulation and consumption provide the necessary means for the continuous development and progress of the forces of production, as well as for a permanent rise in the entire people's standard of living - material and spirtual - the Romanian premier said in conclusion specifying that the plan ensures the resources to increase the overall remuneration fund of the working people and the peasantry's incomes, in conditions of a firm policy of price and tariffs stability. Goods sales through the socialist trade network and services to the population will increase. As many as 150 thousand new flats will be built next year from the state funds of which 20 thousand in the village planning programme will further be implemented. The necessary means are also envisaged for the further development and improvement and education, culture, health production and social insurance.

Spornic Presents Program

AU121837 Bucharest AGERPRES in English 1659 GMT 12 Dec 86

[Memorandum of the Program of Self-Management and Self-Sufficiency Over October 1, 1986-September 30, 1987 -- AGERPRES headline]

[Text] Bucharest, AGERPRES, 12/12/1986 -- Upon instruction from the government, Aneta Spornic, deputy prime minister, presented to the Grand National Assembly for debate and approval the program of self-management and self-sufficiency for ensuring the proper supply of the population with farm foodstuffs and industrial consumer goods over October 1, 1986-September 30, 1987.

The speaker ponted out that the program materialized the constant preoccupation of the RCP and Romanian state for raising the people's living standard in close and direct connection with the general development of economy, with the growth and modernization of the consumer goods production.

Recalling that the program was endorsed and debated by the recent plenary meeting of the CC of the RCP, the speaker showed that the program provisions were correlated with the resources in the balances of the staple farm produce, with the requirements of scientific nutrition, also taking account of the judicious administration and better capitalization of the farm foodstuffs meant for the market stock.

It is mentioned that, as compared with achievements in the previous period, important rises were planned with meat and meat products, fish and fish preparations, milk and dairy products, eggs, potatoes, vegetables and fruit, and that the program ensured the population's proper supply with wheat and maize.

The program establishes measures for the development of the production of culinary preparations made in industry and in public catering units and canteens, as well as measures for increasing the contribution of annex farmsteads to the supply with meat and vegetables of the public catering units.

Important rises, the speaker said, are stipulated in the program with the sales of textiles and footwear, through a more marked development of the production of ready-mades and knitwear, expecially with sorts for babies, children and youth.

With durables, household appliances and implements and other industrial goods, the program ensures the population's supply with an improved range of sorts, with higher technical and functional features.

GNA Endorsements

AU121836 Bucharest AGERPRES in English 1631 GMT 12 Dec 86

[Text] Bucharest, AGERPRES, 12/12/1986 -- The fourth session of the ninth term of the Grand National Assembly [GNA] continued proceedings on Friday morning, in the presence of Nicolae Ceausescu, RCP general secretary, president of Romania.

After the conclusion of the general debates and the discussion by articles of every separate bill the GNA unanimously endorsed: the bill of the single national plan of socioeconomic development of the Socialist Republic of Romania in 1987; the bill of the plan of development of agriculture, food industry, silviculture, and water management of the Socialist Republic of Romania in 1987; the bill of the state budget of the Socialist Republic of Romania in 1987.

At the next item on the agenda, Aneta Spornic, deputy prime minister, presented the memorandum of the program of self-management and self-sufficiency for securing a proper supply of the population with farm foodstuffs and industrial consumer goods on October 1, 1986-September 30, 1987, on which debates were conducted.

The GNA unanimously endorsed this program.

In connection with the bills of organization of the congress and county conferences of working people and the bill of organization of the congress and county conferences of peasantry, of all working people in agriculture, food industry, silviculture and water management, the election and attributions of their bodies, GNA chairman Nicolae Giosan took the floor.

After the discussion by articles of every individual bill, the GNA unanimously endorsed these normative acts.

The GNA also unanimously endorsed the bills of approval of the decrees comprising norms with power of law issued by the State Council.

The deputies unanimously endorsed the release of Constantin Leonard from the office of member of the State Council and the election of Deputy Cameluta Beldie as member of the State Council.

The GNA also endorsed changes in the composition of some standing commissions.

The fourth session of the ninth legislature of the GNA concluded.

RENOVICA REPORTS TO LCY PRESIDIUM ON USSR VISIT

LD170017 Belgrade TANJUG Domestic Service in Serbo-Croatian 1545 GMT 16 Dec 86

[Text] Belgrade, 16 Dec (TANJUG) -- At its session today, attended by the president members of the SFRY Presidency, the president of the SFRY Assembly, the president of the Federal Executive Council and the federal secretary for foreign affairs, the LCY Central Committee Presidium considered a report on the official and friendly visit by an LCY delegation to the Soviet Union from 9 to 12 December. The report was presented by Milanko Renovica, president of the LCY Central Committee Presidium.

The Presidium judged that the visit and its successful and mutually beneficial results are an important contribution to the development of friendly relations between the LCY and the CPSU and between the SFRY and the USSR, which are based on the jointly defined principles of the Belgrade and Moscow declarations and on the recognition of the two countries' specific paths of social development and their differing international positions. Both the visit and the talks with the CPSU delegation, which was headed by General Secretary of the CPSU Central Committee Mikhail Gorbachev, reiterated the two sides' interest in seeing their relations and comprehensive cooperation further develop on the basis of these principles for which great possibilities exist, especially in the economic sphere through the introduction of higher forms of economic cooperation, such as industrial cooperation and specialization, scientific and technological cooperation, joint investment, joint firms, cooperation in the agro-cultural complex, and other areas. It was stressed that the well-developed relations between Yugoslavia and the Soviet Union on the well-known principled fundamentals are in the interest of the peoples of the two countries and equal international cooperation, and have wider international implications.

The Presidium assessed as useful and meaningful the exchange of views with CPSU Central Committee General Secretary Mikhail Gorbachev, which covered international issues. It was stressed that the present exacerbated international situation, especially the dangers arising from the arms race, call for a large-scale involvement of the entire international community, since the problems of peace, disarmament, and development concern us all. During the talks in Moscow, both sides stressed the important role of the Nonaligned Movement as an independent and global factor in international relations as well as its great contribution to the struggle for peace, security, disarmament, and a new economic order.

The Presidium also stressed the importance of the LCY-CPSU cooperation for better understanding of the current social trends in the two countries, for the exchange of views on the directions and results of their socialist development, and on important international issues. The Presidium assessed the practice of top-level meetings between the LCY and the CPSU and between the SFRY and the USSR in positive terms, and expressed a firm belief that the mutually advantageous political dialogue would be continued during Mikhail Gorbachev's visit to Yugoslavia in 1987 and that it would make a fresh contribution and impetus to the comprehensive development of overall friendly Yugoslav-Soviet relations.

Continuing the session, the Presidium discussed proposals for changes in the SFRY Constitution and established the drafts of the documents for the next session of the LCY Central Committee to be convened on 25 December.

POLITIKA Views Visit

AU162209 Belgrade POLITIKA in Serbo-Croatian 14 Dec 86 p 2

[Risto Bajalski commentary: "When the Foundations Are Firm"]

[Excerpts] The Yugoslav-Soviet meeting at the highest party level concluded successfully with a frank [otvoren] and substantive dialogue which lasted 5 hours in the Kremlin this week. Milanko Renovica and Mikhail Gorbachev publicly agreed that the meeting concluded precisely so, and what is more, that it had to conclude successfully given the firm foundations of the friendly relations between Yugoslavia and the Soviet Union. It is a fact that the foundations were laid more than 3 decades ago and that because of the will and interest of both sides, these foundations have permanently remained unchangeable. These foundations are the Belgrade Declaration of 1955 and the Moscow Declaration and Statement of 1956, along with the subsequent joint documents, which have always rested on these firmly laid foundations. [passage omitted]

The practice of mutual relations has shown and definitely confirmed that the public emphasis on the full equality of two equally independent countries -- Yugoslavia and the USSR -- has always reflected the real state of affairs, and that this kind of behavior has surely advanced both the content of political dialogue and the content of friendly cooperation. Feeling the profound importance of this truth and referring to days to come, Mikhail Gorbachev therefore stressed right at the beginning of his toast in the Kremlin that the two countries "act strictly in accordance with the well-known principles contained in the documents of 1955 and 1956," documents which Milanko Renovica later said represented "a firm principled basis for mutually useful cooperation between our countries and the LCY and the CPSU.

Having in this way confirmed the lasting landmark for conducting the policy of mutual relations, the general secretary of the CPSU Central Committee and the president of the LCY Central Committee Presidium did not find it difficult not only to express traditional frankness [otvorenost] in dialogues at the highest level, but also to touch upon some questions which were not given visible attention in the past. On this occasion, let us mention only the question of exchanging experiences in social development. Undoubtedly, it was possible to discuss this question thanks to the affirmed and inalienable right of each party to independently form its policy and carry out its own responsibility toward its workers class and the people of its country. It was possible to discuss the question thanks to the proved laws that roads to socialism are different. [passage omitted]

The talks in the Kremlin have shown that prejudices on both sides regarding the internal development of social matters in the USSR and Yugoslavia are definitely disappearing. This should be regarded as new progress that permits us to get to know each other better, to strive, as stated in the joint statement, toward a "deeper exchange of views on the topical questions of the practice and theory of building socialism." Of course, this would not be of much use without full equality. However, this kind of problem has not been present in relations between Yugoslavia and the USSR for a long time.

According to Milanko Renovica's assessment, frankness [otvorenost] in expressing views has made the exchange of views in the Kremlin "substantive indeed." On the basis of everything that the public has learned about the Yugoslav-Soviet party meeting at the highest level, one can conclude that, just as in the last 30 years, the partners respected each other, regardless of similarities or differences in their views. This was and remains not only an incentive, but also a condition for the enrichment of mutual links and cooperation.

JOINT AGRO-INDUSTRIAL CONSORTIUM WITH USSR FORMED

LD170004 Belgrade TANJUG in English 1630 GMT 16 Dec 86

[Text] Belgrade, December 16 (TANJUG) -- A consortium for the joint appearance of Yugoslav firms on the Soviet agri-industrial market was formed in Belgrade today. The agreement on the founding of the consortium was signed by the directors of Yugoslavia's 14 largest food producers, manufacturers of food industry equipment, research institutions and exporters.

The founding of the consortium marks an extension of a 400-million-dollar export deal inaugurated two and a half years ago, under which Belgrade's agri-industrial complex "PKB" and "Energoprojekt" and "Inex" firms have been entrusted with drawing up the plans for and building the "Kuban" agri-industrial complex in the Soviet Union.

The extension of the arrangement, i.e., the construction of another two agri-industrial complexes in the Moscow region, worth an estimated 500 million dollars, opens possibilities for Yugoslavia to contract deals worth around 3 billion dollars in the Soviet Union in the next five years, as "PKB" Director-General Milojko Veljovic has stated.

STOJANOVIC RECEIVES USSR ENVOY MALTSEV 16 DEC

LD162358 Belgrade TANJUG Domestic Service in Serbo-Croatian 1659 GMT 16 Dec 86

[Text] Belgrade, 16 Dec (TANJUG) -- Stanislav Stojanovic, LCY Central Committee Presidium executive secretary responsible for international relations, has received Viktor Maltsev, Soviet ambassador to Yugoslavia, who handed him a message from the CPSU leadership for the LCY leadership concerning certain international questions.

Maltsev Meets FEC's Zemljaric

LD170000 Belgrade TANJUG Domestic Service in Serbo-Croatian 1700 GMT 16 Dec 86

[Text] Belgrade, 16 Dec (TANJUG) -- FEC Vice President Janez Zemljaric today received Viktor Maltsev, Soviet ambassador to the SFRY, and had talks with him on topical questions of bilateral economic relations and cooperation.

LCY DEFENSE COMMITTEE HEARS CRITICISMS

LD101717 Belgrade TANJUG Domestic Service in Serbo-Croatian 1246 GMT 10 Dec 86

[Text] Belgrade, 10 Dec (TANJUG) -- Members and organizations of the LC must take a more rsolute part in the action within the Socialist Alliance to further socialize defense and protection. This was stressed at today's session of the LCY Central Committee's Commission for All-People's Defense and Social Self-Protection.

In addition to a basically favorable view of the Communists' involvement in carrying out the tasks of defense and social self-protection, a number of critical remarks were also heard at the session. For instance, concern was voiced about the fact that this set of problems is very infrequently discussed in basic LC organizations and even more infrequently in the basic organizations of the Socialist Alliance.

Attention was drawn to the tendency of only a small number of professional people to deal with the issues of defense and protection, and to the practice of too easily labelling a confidential issues which every subject in the defense system should be informed.

The commission also discussed the ideopolitical issues of all-people's defense and social self-protection in large systems such as the railway, posts and telecommunications, and the electric power industry.

SLOVENE LC MEETS ON IDEOLOGICAL TRAINING

LD160102 Belgrade TANJUG Domestic Service in Serbo-Croatian 1617 GMT 15 Dec 86

[Excerpt] Ljubljana, 15 Dec (TANJUG) -- According to the opinion of Milan Kucan, president of the Presidium of the Slovene LC Central Committee, expressed today at a session of the Presidium, one of the topical questions is to what extent the lack of unity in the LC is influenced by the insufficient ideolpolitical capability and to what extent the LC is really well trained through ideopolitical work for carrying out its basic function -- to change the existing social relations in the spirit of program objectives.

Other questions were raised as well: Is insufficient ideopolitical capability the cause of the disorientation among the LC membership and of their absence from dialogue and confrontations in which theses contrary to the ideopolitical stands of the LC are put forward? Or, are some Communists uncritically and in an opportunistic manner yielding to various political phenomena practiced in the world? Or do they automatically reject everything new -- every conversation on this and on possible changes, not only the ones connected with the way out of the crisis, but also the ones securing future prospects?

Through the rejection of the concept of the state party and its power -- it was said at the session of the Presidium -- ideological capability and arguments through dialogue and conflict with contradictory views gain significance. What does it look like in practice? According to some data, a high number of the LC members in Slovenia are not fully acquainted with the LCY program; as much as one third consider equality the main value of sociliasm and only 5 percent of the Communists responding to in the questionnaire think that it (?is) good that relations in the LC are based on the principle of democratic centralism.

Though the Slovene LC has a wide and comprehensive system of ideopolitical training, it still does not fully satisfy the needs of the LC today at a time when, because of worsened social conditions, even many pragmatic questions raised are explicitly ideopolitical. It is a matter of ideopolitical training of the LC in its entirety, and not only of those who are especially in charge of the "ideological sector." Therefore, ideopolitical training, as it was said at the session of the Presidium, cannot be separated from what is "in the air," which, as a concrete problem is presently of interest to the LC membership. [passage omitted]